



**FOREIGN
BROADCAST
INFORMATION
SERVICE**

JPRS Report

East Europe

East Europe

JPRS-EER-88-046

CONTENTS

13 JUNE 1988

POLITICAL

BULGARIA

- BCP Journal Discusses Glasnost, Party Control 1

HUNGARY

- Pozsgay on Party, Society, Front Roles, Perestroyka
[Warsaw PRZEGLAD TYGODNIOWY, 22 May 88] 3

POLAND

- Parliamentary Cooperation With FRG 5
PAP, GDR Press Agency Cooperation 5
Glomp, 'Polonia' Official Meet on Emigration Issues 6
Lukaszuk on Constitutional Tribunal Tasks, Operations 6
CEMA Integration Efforts, Difficulties Discussed in Forum 8
Public-Transportation Workers' Woes Outlined, Appeal to State 13
Working, Living Conditions in Lodz, Textile Industry Decried 16
Secular Society Hosts 'Mixed' Discussion Club 17
Millenium of Russia's Baptism Celebrated 17

ROMANIA

- Party Organ Reports on Gromyko Dinner Toast [Andrey Gromyko; SCINTEIA, 12 May 88] 17
Appointment of People's Councils Officials [BULETINUL OFICIAL, 19 Feb 88] 19
Roundtable on RCP Policy on National Minorities
[Olivia Clatici, Alexe Andris, et al.; ERA SOCIALISTA, 25 Mar 88] 19
Deputy Minister of Wood Industry, Construction Materials [BULETINUL OFICIAL, 23 Apr 88] .. 37

YUGOSLAVIA

- Everyday Activities of Federal Police in Kosovo Sketched 37

MILITARY

BULGARIA

- Navy's Deputy Commander Damyanov on Leadership, Restructuring 41

ECONOMIC

GERMAN DEMOCRATIC REPUBLIC

- GDR Economist Nick on Bypassing COCOM Restrictions 43
Reduced Volume in Inner-German Trade Detailed
[West Berlin DIW WOCHENBERICHT, 17 Mar 88] 45

POLAND

- Increased Enterprise Contacts, Trade Discussed With Soviets 53
Fuel, Resources Set as Priorities 53
'5-Year Plan' Coordination Set 53

Stereo Equipment Exports to USSR	54
Trawler Completed for Soviets	55
More Direct Enterprise Contacts	55
Soviet Interest in Electrical Industry	56
ZYCIE GOSPODARCZE 'Briefs' Column	56
Economist Views Turmoil Resulting From March 1968 Events	57

BULGARIA

BCP Journal Discusses Glasnost, Party Control
22000030 Sofia PARTIEN ZHIVOT in Bulgarian
No 4, Feb 88 pp 61-65

[Article by Nikolay Kolev: "Glasnost in the Party's Control and Revisory Activities"]

[Text] The intensification of glasnost in control and revisory activities is an inseparable part of the process of renovation in the party and in society. It is an expression of the democratization of internal party life.

After the 12th Party Congress control and revisory work has become more directly associated with strategic tasks of party policy. The criteria for evaluating achievements and failures in practical work are being raised. The objects of control are being expanded. But this is only the beginning. Full restructuring is imminent. This will lend the necessary force to control from below. Political functions in the activities of the control-revisory commissions and the revisory commissions will be outlined. And in the conditions of self-management of working collectives and territorial communities, specialized party control will be directed exclusively towards the individual Communist in a management or executive position—how he works to carry out party policy.

In the process of restructuring, glasnost will be intensified. Glasnost will infuse new strength into restructuring, stimulating it and guaranteeing it support from below. And glasnost itself will be expressed in new forms, becoming established as a weapon of control. The July and November (1987) plena of the CC of the BCP, and also the National Party Conference, categorically emphasized this need, created the atmosphere and set an example for the most wide-spread glasnost.

The party's control and revisory activities differ from all-party control, chiefly because they are directed towards the individual and have sanctioning influence. This accounts for the existence of specific features of glasnost in control and revisory work.

Glasnost will inform the public of the facts, events and affairs in which the individual Communist participates. Still more! His participation is most often viewed through the prism of violations of party norms and deviations from party principles. This is why announcements of violations by any given Communist become the topic of the day, provoking strong public reaction. The Communist whose violations and inflicted sanctions are made public becomes the object of public reproach. Clearly this causes him pain, sometimes inflicts deep psychological wounds and produces prolonged punishment from the point of view of mental equilibrium. This is the source of one of the most significant features of glasnost—the need for the most accurate, objective and well-founded evidence of violations and of the motives for the degree of punishment. An important requirement

is that concern for the man, for the Communist, be apparent, and that his discredit not be permitted to humiliate his dignity. Particular attention is needed when dealing with mistakes and violations made in risky situations, acts of fortuitous coincidence of circumstances, or when deeply intimate human aspects are involved.

Another important feature of glasnost in control and revisory activities is associated with the fact that the resolutions that are published also contain to a certain extent evaluations of the work of party organs. It is true that the collective party organs are not a direct object of control and revisory activities. But when the reasons for individual errors and violations of Communists are sought, they are often discovered in the poor style and organization of work of collective organs and in existing distortions that promote personal violations.

Owing to the force of the mechanisms that shape social mentality, announcements of the results of control and inflicted punishments are received as sensational news. They spread with exceptional speed and provoke strong public reaction. This feature may have positive significance only when glasnost satisfies not the usual human curiosity but chiefly serious social and personal needs for information about the nature, the reasons and the variety of violations of party norms and morale. We must not simply announce the facts of violations and inflicted sanctions, but discover the crux of the problems, seek their roots, characterize their development, social connections and repercussions. It is essential that the degree of punishment be in keeping with the blame.

Maximum glasnost—this is the call today. Glasnost without restrictions, glasnost in which there are no poses, no hypocrisy, no coquetterie. Glasnost identical for everyone, irrespective of rank and past services. In control and revisory work these characteristics are increasingly established and enriched in the process of constructive investigations. At the same time, precisely in this sphere of party work, the words of Comrade Todor Zhivkov in his inaugural address at the July (1977) plenum of the CC of the BCP have a profound meaning: public glasnost cannot be a subjective mirror of the criteria of those who are not correctly oriented in the dialectics of "the great" and "the small justice" in life. Glasnost must be imbued with party principles, with the aspiration to correct things, to direct them into the right channel, and not to nourish unhealthy and immature trends, inflame the elements or serve foreign interests.

Whence the double nature of glasnost that is manifested in control activities.

Glasnost is a constructive force that functions through conviction and example. When it is imbued with contemporary political ideals and principles, it forms a new

political consciousness and moral values and fortifies people's spirit. It is capable of mobilizing them, uniting them, stimulating their creativity, and leading them forward.

But glasnost can also destroy, have a pernicious effect on consciousness, kill trust and demobilize. And it does this not only when it serves foreign class interests but also when it is permeated by dogmatic thinking and constantly bewails known stereotypes. Then glasnost sanctions stagnation and is obstructive.

The double nature of glasnost is also exhibited in control. Glasnost may play a preventive role only when it is founded on the principle of conviction, only when, with the strength of conviction, it discovers the negative consequences of a violation or the deep abyss of moral disgrace.

Articles that use a negative example to establish positive moral values appear comparatively rarely in the party press. But control and revisory practice contains many such examples. To one degree or another they are investigated, decisions are made on them, and after the decisions certain changes usually occur. Simply: ready material for deliberations, for generalizations and conclusions.

Facts impart strength to glasnost on condition that they are not used as an end in themselves. V.I. Lenin cautions against the dangers of drawing erroneous conclusions from a single fact alone. If in publishing a decision or explaining it in the party organization we restrict ourselves to comments on one or several facts, we may remain misunderstood. Conversely, individual facts may be good ground for serious conversations when they are set on the plane of great ideas and important current tasks. At a meeting of the primary party organization at the energy resource company "Vodno Stopanstvo", Plovdiv, to introduce the decision of the Bureau of the Central Control and Revisory Commission of the BCP on the occasion of a punishment inflicted on a member of the organization, the questions posed by the communists supplemented and enriched the motives for the decision taken. They referred to important ideological positions and moral values, exposed vital aspects of the contents of founding principles, became the basis for critical scrutiny in their own work. Thus, the meeting played the role of an ideological and political school for everyone present.

Control does not only censure shortcomings. It uncovers seeds of the new, of the positive; it helps to rid them of weeds. Glasnost is called upon to help in this.

Forms of Glasnost

I refer to forms through which the results of control reach Communists and the entire public. What are they? Are there specific characteristics in their application? These questions are engendered by the active aspiration

towards expanding democracy in control and revisory activities, towards an increasingly more active participation of Communists and the public in exercising control.

According to tradition, the primary party organizations are informed of the results of every audit of the control and revisory organs and also of the decisions on personal acts of Communists. This is an expression of glasnost. Through this form evaluations, conclusions and decisions are once again put to public audit, and that by people who are best acquainted with the specific situation and the conditions in which any possible errors, weaknesses and offences have occurred. Recently the control-revisory and revisory commissions have extended the practice of informing the appropriate party committees and organization of their findings and conclusions so that they may make decisions. This practice increases the responsibility of members of elected executive organs and party organization towards their own work and reinforces their self-control. During the past two years, the municipal control and revisory commission in Varna left 187 primary party organizations to take decisions according to warnings and findings from audits on violations by Communists. In 32 percent of the cases the party organizations inflicted punishments and in 39.6 percent other party measures were brought to bear.

Articles on the results of control are still a rarity in the party press. But even given this situation, investigation in different forms may be noted—from the laconic announcement to extensive correspondence. Indisputably, what is written, and how it is written, depends on the social significance of the case and the problems it engenders.

The effect of glasnost depends directly on the successful choice of the form. Maximum glasnost does not mean constantly and alarmingly blowing the whistle or looking for sensations. The most important point is, through glasnost, to discover trends in the march of progress, to bring to the people the truth about those problems that trouble them deeply. In this sense, the "discoveries" of the control and revisory organs and their sanctions will have all the stronger effect through glasnost the more directly they are connected to the major tasks that the Party and the public resolve. The manner and channels by which it becomes common knowledge will be determined by the characteristics of the individual case, on its diffusion, on the extent to which it will influence narrower or wider social circles. The municipal control and revisory commission of the BCP in Plovdiv has had a positive experience in this direction. According to materials conceded by the commission to OTECHESTVEN GLAS articles were carried in which important questions of party and public work were put to public assessment. In a special article the president of the municipal control and revisory commission, Blagoy Yankov, reviews the problems of the structure of the municipal party organization and the task of safeguarding the young population in the party ranks. The commission informed the entire

collective of one of its decisions, taken on the occasion of a conflict that arose in a section of the combine "Elektroaparaturni zavodi"; and this was met with satisfaction. In connection with decisions made on specific violations, the bureau of the commission increasingly directs recommendations to the appropriate competent organs to take measures. In a series of cases these recommendations were made public.

In the process of democratization of party and public life, enrichment of the forms of glasnost will contribute to strengthening control from below. And this is the best guarantee for providing results.

Who Is Against Glasnost?

What is hindering it from being voiced? Are there opposing forces? No-one now is operating through bans, no-one is imposing a taboo, no-one is exerting pressure. If there are such cases, then they are exceptions. That does not mean, however, that there are no obstacles or opposition. But in the process of democratization this takes on other forms—more refined forms.

The old thinking and approaches work against glasnost in control and revisory activities and in other spheres of party work. It is difficult to overcome the conception that this sphere is closed to public opinion. There are executives who fear glasnost because it presupposes criticism of the weaknesses of others and because it demands acknowledgement of their own shortcomings. A serious concern is the misunderstood concern for authority, for preserving one's public position.

Open or secret patronage in seeking responsibility also works against glasnost. The independence of control and revisory organs is not always a barrier against interference. Under the specious pretext of defending the honor and dignity of someone, recommendations are given not to "make noise" about the case. This is sometimes done in an arrogant tone from positions of high elevation.

In the practice of the control and revisory commissions one also comes across the so-called self-restraint towards glasnost, dictated by not so "thorough" investigations and decisions or by certain subjective motives. In these cases the aspiration to conclude the investigation by inflicting minimum punishment is perceptible, and this is announced in writing only in the primary party organizations. However, the misunderstood liberalism, due to incompetency and poorly conducted work, returns like a boomerang and destroys the authority of the control and revisory commissions.

When Communists and the public are informed of decisions of the control and revisory organs of the party this must be done with convincing motives, with the strength of evidence. Half truths, fawning, allusions to the authority of decisions do not help; they cast suspicion on the grounds for the decisions.

For glasnost to be established, for the barriers against democracy in the life of the party to be broken down, glasnost must ever deeper, ever stronger be permeated by truth and serve truth. This is the great goal, the innermost substance of control and revisory activities—to struggle for truth, to wage war for the triumph of party justice.

12907

HUNGARY

Pozsgay on Party, Society, Front Roles, Perestroika

26000370a Warsaw PRZEGLAD TYGODNIOWY in Polish No 21, 22 May 88 p 11

[Interview with Imre Pozsgay, secretary general of the Patriotic People's Front (Politburo member since 22 May 88), by Ryszard Bilski]

[Text]

[Question] Lately, the need to socialize the economic reform has been discussed in Hungary. In this matter, much hope is attached to the national party conference scheduled for the second half of May. At meetings, the unity of economic and political reforms is resolutely stressed. It is said that only a complete reform, i. e. economic and political, can succeed. In your opinion, what should the socialist renewal in Hungary, or, as it is also called here frequently, the overhaul of socialism, be about?

[Answer] By now, repairs are indeed necessary. This has become the common opinion and conviction now. For example, we should consider again the issue of ownership arrangements and find an efficient solution, the implementation of which would encourage the citizen, as an autonomous and self-determining individual, to act creatively in a community, certainly with benefits for himself and the society.

The model along which socialism has been developed in Hungary to date has already exhausted its possibilities. Very few things indeed may be streamlined or improved in an extemporaneous manner. Numerous symptoms of a crisis indicate to us that we have approached this limit. I am not afraid to say the word "crisis," because to me it does not at all have to mean that we are inescapably drawing closer to a disaster. However, it is a signal that things cannot go on this way, that radical changes must be introduced rapidly. This is what is beginning to be done, after all.

I would particularly emphasize the system of internal motivation of citizens, because they are the most essential. Thus, let me recall that the opportunity to create communities, to unite in associations also belongs among human rights, the rights of citizens. I am aware that during a crisis it is extremely difficult to meet this

requirement, because apprehensions immediately surface about, say, this freedom to associate transforming into a movement against the [political] system...

[Question] Exactly...

[Answer] However, right after such an apprehension is expressed a question must be asked: what will happen unless we proceed in the direction of complete freedom to associate? I am afraid that in the best case it would mean endless stagnation, or a chain reaction of similarly endless social conflicts.

[Question] This way is bad, that one is dangerous. Isn't this a no-win situation?

[Answer] No. I believe that a new social contract, in which fields of action should be specified, should be concluded between society and the authorities. The statement that both parties will safeguard the current social integration and will strive for political stabilization would be a vitally important provision of such a contract. This social contract should be built into a constitutional framework. Then, and this is very important, all civic initiatives, including first of all the aforementioned creation of associations, will in a natural sort of way become actions in the interest of the parties to the contract. To my mind, this is the fundamental issue in the process of renewal of socialism. In this regard we must, we should yet again give thought to the issue of the party initiating, improving and developing the process of renewal. It is already doing that by formulating a common platform for all. Also, guarantees are necessary that the opinions of those in the minority will also have the right to exist. It appears that returning to the most valuable concept is worthwhile, according to which members of the party, rather than bureaucratized structures, determine its strength. In this case, the influence of communists will be much stronger.

The role of the parliament would grow; it would become a place where various groups and movements have their interests represented. To sum it up: if we were to go this way, we would arrive at such a condition when society will not be organized by the state, but rather the state will be organized by a fully responsible society. To my mind, this is the fundamental issue.

[Question] What role do you see for the Patriotic People's Front in this process?

[Answer] In Hungary, this is a genuine movement, a movement that matters and is present in our everyday life. In recent years, our role and our authority have increased considerably due to us transcending the role of a mere transmission belt passing only information one way or the other. As a genuine political factor, the front turned out to be, became, the presenter of interesting political alternatives. The things going on in the people's front made it attractive for non-party members as well as party members.

Our movement will be needed in Hungary for a long time, if for nothing else, for the simple reason that renewal and development, building a pluralistic system will, after all, proceed in a one-party system. It is, I must say, a somewhat paradoxical situation, and this paradox can be circumvented exactly through the existence of a people's front, which creates conditions for a broadly defined dialogue of partners. We also have a chance to become, along with the parliament, of course, the second body where the aspirations of individual social groups are formulated and their interests are represented.

[Question] Recently I listened in on the discussion of whether the one-party or the multi-party system is better. What is your opinion on this issue?

[Answer] This is a very difficult topic, some say a ticklish one, but, as I would stress, not a taboo. What can I say? I admit I do not know of a theoretical thesis which would treat the one-party system as the better one. However, my thinking on this issue is very practical in nature, and for this reason I state that maintaining and preserving political stabilization now is the most important issue and the first prerequisite for carrying out the renewal. This is not a subject for discussion, this cannot be violated. This is why the party which has thus far preserved and is preserving integration should have the initiating and decisive role in our general renewal. The issue of renewing the party itself is also essential, but this is understandable, because it would be difficult to speak of a genuine renewal in the absence of it.

If we were to ponder what would happen just in case, that is, if some other extra parties would be set up... If they were to be created by, or by the permission of, the present party, would this make sense? On the other hand, if they were to be set up spontaneously, by movements from below, this would be very dangerous, because it could bring about a great destabilization of life in our country which nobody needs, except perhaps our enemies. Truly, nobody needs this now. This is why, in preparing the social contract mentioned in the beginning, the point of departure should be that here, in Hungary, the present single party, but a renewed and strengthened one, will continue to exist.

[Question] In one of numerous interviews you said that the success of the economic reform in Hungary will hinge primarily on the modernization and expansion of the system of political institutions. Could you elaborate on that?

[Answer] In 1968, the reform which came to Hungary was, I would say, very cautious, stealthily walking on its toes and concentrating exclusively on production. Everything else, while equally important, was left aside. Most likely, the apprehension was that, if anything further were to be disturbed, it would be necessary to touch on... the model of socialism. At that time, this narrow notion of reform caused representatives of the reformist wing to be unable to defend their concepts from the attacks of

conservatives. Therefore, the reform carried in itself the danger of being rolled back to the point of departure. If nothing else, this fact alone bears out the necessity of political reforms. However, even now we may encounter concepts like: let us improve it somewhat here and there, loosen up, provide some more opportunity and it will get better. It will not; we need a very resolute, bold reform of political institutions. This is the only way and the only chance for a rebirth of socialism. We will accomplish nothing by "patching things up."

Now, some specifics, first of all, on the ownership arrangements. I say it clearly: this is not about reprivatization, not at all! However, we must answer this question to ourselves: why, instead of integrating elements, alienating ones have surfaced both in the case of state and cooperative property?

Had we succeeded in eliminating this hierarchical subordination of individual kinds of property, had we prevented the defense of a privileged position of state property by means of budgetary funds, we would be considerably closer to conditions which facilitate or downright force the flow of capital to those working more efficiently. Was not this the goal of the economic reform? It is also necessary to create favorable conditions for transforming personal income into capital.

[Question] Whatever one might say, this has a certain flavor of the return to capitalism...

[Answer] This is how it might look, but actually it is just becoming cognizant of the old model not being perfect. The issue here is not whether capitalist phenomena or institutions, such as stock markets, companies, a different tax system or temporary unemployment, exist or will exist in our country. After all, if the relationship goods-money-capital-market exists, socialism must also accept it. Unemployment is the really painful thing among it all. However, let us be fair and say openly that in Hungary unemployment has been caused by a backlog of decisions on restructuring not made on time. They were postponed in order to avoid conflicts... We wanted to exist and live without conflicts, so now we face the consequences of it.

I believe that the views of some Western journalists writing about Hungary now taking a dive into capitalism are simply journalistic mistakes, if not journalistic canards. I want to say explicitly that there is no question of retreating from socialism. Instead, we should talk about, and first of all embark on, the effort of improving it. The goal is for the citizen to become a subject in everything and everywhere, and this calls—I will repeat myself—for reforms and an expansion of political institutions.

[Question] What has been the influence of Soviet perestroika on the pace and scope of Hungarian reforms?

[Answer] Perestroika has shown the way of renewing socialism. I do not treat perestroika as a model, rather I see it as a method. What I like most about it is grasping the problems globally, because I believe that all pieces will fall into place once global changes have been made.

9761

POLAND

Parliamentary Cooperation With FRG

26000258g Warsaw TRYBUNA LUDU in Polish
23 Feb 88 p 7

[Text] PAP correspondent Eugeniusz Guz reports from Bonn: An official delegation of the Polish-West German parliamentary group in the Sejm of the PRL [Polish Peoples Republic] is paying a visit of several days to the FRG at the invitation of the West German-Polish parliamentary group of the Bundestag.

The Polish parliamentary group is headed by Deputy Stanislaw Bejger, alternate member of the PZPR CC Politburo. This is the first direct contact between these parliamentary groups which were set up last year. Hans Koschnik (SPD) heads the group of FRG deputies interested in Polish issues. This group includes 47 deputies representing all parliamentary fractions of the Bundestag. Thus far, parliamentary contacts between the two countries have been maintained by the Club of the PZPR Deputies with the SPD [Socialist Party of Germany] fraction and by the Democratic Party with the FDP fraction (Party of Free Democrats). Besides the plenary meeting, the Polish delegation will meet the West German group and the leadership of all fractions represented in the Bundestag and will hold talks in the Ministry of Foreign Affairs and the Ministry of the Economy. The goal of the present meeting is to map out the ways and directions for mutual cooperation by parliament members of both countries as an important supplement to government-to-government contacts of both states.

9761

PAP, GDR Press Agency Cooperation

26000258c Warsaw RZECZPOSPOLITA in Polish
29 Feb 88 p 2

[Text] General Director of the ADN, The GDR press agency, Guenther Poetchke, visited Poland at the invitation of the PAP [Polish Press Agency] Chairman Bogdan Jahacz. The chiefs of both agencies signed a protocol on cooperation in 1988 and 1989 expanding the exchange of information and journalists and enhancing the forms and methods of cooperation. G. Poetchke was received by Head of the PZPR CC Propaganda Department Slawomir Tabkowski and press spokesman for the government Jerzy Urban, who informed the visitor

about the principles of openness in the Polish information policy. In Krakow, G. Poetchke met secretary of the local PZPR Committee Jan Czepiel and familiarized himself with the work of the GDR Cultural and Information Center.

9761

Glomp, 'Polonia' Official Meet on Emigration Issues

260002491 Warsaw TRYBUNA LUDU in Polish
29 Feb 88 p 2

[Text] On Saturday [27 February], the Primate of Poland, Jozef Glomp, received Chairman of the Polonia Association Tadeusz W. Mlynczak. Issues of Polish emigration and Polonia in all countries of the world were discussed, as well as the need to reinforce links to the Polish Motherland on the basis of noble values developed by the nation over its long history.

9761

Lukaszuk on Constitutional Tribunal Tasks, Operations

26000320a Warsaw PRAWO I ZYCIE in Polish
No 16, 16 Apr 88 p 3

[Interview with Leonard Lukaszuk, deputy chairman of the Constitutional Tribunal, by Ryszard Czerniawski: "Each Case Means Settling the Problems of Many People"]

[Text]

[Question] Prior to the formation of the Constitutional Tribunal many people thought that, considering the condition of our laws, it would be swamped with cases. Actually, however, it considers on the average only one case a month. Have laws turned out to be that good, or have plaintiffs turned out to be indolent?

[Answer] The way you word your question points to a kind of statistical approach to the activities of the Tribunal. Every normative act regulates particular social, economic, and other problems on the macroscale. Therefore, a ruling on even just one legal provision indirectly means resolving crucial issues. In such a situation it is not the quantity of cases that counts. This is a completely different situation and one that cannot be compared with the activities of, say, courts, which are geared to considering and deciding on individual cases.

The Constitutional Tribunal has not been established to evaluate the activities of the entities authorized to submit cases to it. I can only say that the work of the Tribunal so far has been chiefly focused on cases submitted by public organizations, self-government bodies,

and the Supreme Administrative Court. From this it is evident that the entities authorized to submit cases to the Tribunal include legislative bodies or those involved in the lawmaking process.

In 1987 the Tribunal examined 12 cases, of which one-half on the request of the Supreme Administrative Court or in response to its legal queries. Its rulings included voiding the legality of regulations that: made it difficult for repatriates to obtain compensation for property left abroad; violated the principle of equal opportunity of the access of women to medical studies; and restricted or complicated access to certain occupations and professions. On the other hand, the Tribunal rejected as baseless the plea by the Federation of Trade Unions of Maritime Employees questioning the provisions of the labor law code that preclude the admissibility of collective protests during collective bargaining and during the registration of collective bargaining agreements.

The scope of intervention of the Constitutional Tribunal into the legal system binding in the PRL [Polish People's Republic] is considerable. During 1987 alone, the Tribunal's opinions concerned 14 different provisions of the Constitution and dealt with legal questions about 17 decrees and 10 ordinances of the Council of Ministers, two ordinances of ministers, two resolutions of the Council of Ministers, and three ministerial orders. As a result, nine normative acts directly considered by the Tribunal were amended or revised.

The opinions of the Tribunal concerned regulations from various domains of law, and chiefly from constitutional, administrative, civil, and agricultural law, and they also were based on certain international regulations, including the Human Rights Pacts, the conventions of the International Organization of Labor concerning trade unions, and certain international agreements to which Poland is a party.

However, the significance of the verdicts of the Constitutional Tribunal also consists in that, when it examines discrete cases, it formulates certain general principles that strengthen constitutional legal and systemic law and order. This concerns, e.g., the principle of the primacy of the statutory decree as the source of law and of the obligations of citizens, and also the inadmissibility of references to such obligations in implementing regulations (unless, of course, a decree bestows the necessary and closely defined authorization), and also the powers to issue implementing acts.

[Question] I interpret this as comments addressed to our legislators and our legislation. This aspect of the Tribunal's work is besides already producing effects. Three days ago, during a session of Sejm commissions working on the text of a new decree, several deputies pointed to the need to define precisely the powers to issue implementing regulations by citing the opinions of the Tribunal.

[Answer] It is a fact that the first cases considered by the Tribunal ensued precisely from misinterpretations and faulty definitions of the power to issue implementing regulations. The Tribunal's opinions also invalidated regulations providing for retroactive applicability of laws and deemed inadmissible the disregard of the provisions prescribing public consultations as part of the legislative process.

[Question] But the Tribunal does not merely issue opinions on the cases submitted to it. It also has the right to point to legal abuses and loopholes. To be sure, those affected, e.g., the government or individual ministers, are not obligated to follow such opinions, but after all an official declaration of the Constitutional Tribunal does have its weight.

[Answer] Last year we availed ourselves of this right several times. Among other things, we advised the prime minister of the need to improve the distribution of *DZIENNIK USTAW* and *MONITOR POLSKI* [legislative records]. For it often happens that a great deal of time passes between the date on which an act is issued and the date on which it is published, thus leading to delays in the actual application of regulations. Likewise, we turned to the minister of science and higher education concerning an ordinance he had issued that granted special university admission privileges to graduates of foreign secondary schools desiring to commence higher studies in this country, which the Tribunal deemed to violate the principle of the equality of citizens before law.

[Question] It is my understanding that the Tribunal is receiving many letters from private citizens (who do not have the right to initiate proceedings) asking it to initiate itself proceedings on various matters.

[Answer] Indeed we receive quite a large number of complaints and suggestions. They concern chiefly matters relating to pensions and annuities, administration of justice, municipal services, housing, and certain provisions of the decree on trade unions. In addition, we have been receiving requests to investigate the conformity between certain provisions governing the rights of war veterans and the Constitution and decrees, including also the insonance between the decrees and the qualifying requirements set by the *ZBoWiD* [Union of Fighters for Freedom and Democracy—a war veterans organization].

Another issue raised in the complaints is the question of compensation for real estate abroad belonging to persons who before the war had resided in territories that at present are not part of our state. The point is that a considerable number of citizens are petitioning in this matter, but there are not enough lots and buildings [to compensate them with]. The matter is becoming urgent also because, pursuant to the decree on land use management and expropriation of real estate, the right to [such in-kind] compensation will expire on 31 December

of this year. In this connection, the question of paying financial compensation to citizens who are not compensated with real estate is being raised.

The complaints and pleas also question the fairness of the failure to enforce the provisions of the Decree of 26 October 1945 on Ownership and Use of Warsaw Real Estate. These provisions provided for compensation for the real estate expropriated for communal use, with the amount and terms of the compensation to be determined by implementing regulations—which, however, have never been issued. The letters view this non-enforcement of the compensation regulations as a form of expropriation without compensation, which violates the constitutional principle of the protection of private property.

[Question] Last year there has been an innovation in the Tribunal's activities. Namely, in five cases considered by the Tribunal the proceedings were quashed before issuing an opinion because the government or the concerned ministers rapidly voided or altered the questioned regulations. The effects of such decisions differ fundamentally, however, from the effects of a verdict by the Tribunal.

[Answer] You raise a highly important issue on which views differ. Several important aspects have to be considered. Namely, the Council of Ministers or another supreme or national agency has the right to rescind or revise a normative act it has issued when that act is the subject of a hearing before the Tribunal. Thus, this is action that is fully consonant with the Constitution. Then the purpose for which proceedings are instituted at the Tribunal is accomplished. Such a practice results, however, in depriving citizens of the advantages that ensue when the Tribunal declares a normative act to be inconsonant with the Constitution or with a decree. For then the citizen is deprived of the possibility of instituting a new suit concerning a matter with respect to which the previous judicial verdict was based on the concerned illegal act or regulation. This defect may be eliminated by correspondingly amending the Decree on the Constitutional Tribunal.

[Answer] A normative act that conflicts with a decree ceases to be effective only after it is officially rescinded; that is, until that time it remains binding even though it has been declared illegal. This is a major inconsistency of our legislation. Professor, do not you think that this inconsistency should be rapidly eliminated?

[Answer] This is of course a major problem. The letters sent by citizens to the Tribunal point it out. The practice so far indicates that the provisions of the Decree on the Constitutional Tribunal are too confining.

Opposing these views is the verdict of the Supreme Court of 4 December 1987 which declares that the services rendered pursuant to a normative act declared by the Constitutional Tribunal to be inconsonant with law are undue services as interpreted by the civil law

code. This is an astute solution in the right direction. However, judicial interpretation alone cannot resolve this problem—legislation can and is needed.

[Question] The Tribunal is not empowered to verify the constitutionality and legality, i.e., consonance of decrees with international agreements, local law, and Sejm rules and regulations. Should not the Tribunal's power be expanded in, especially, the first two fields?

[Answer] The question of extending the competences of the Constitutional Tribunal to international agreements is a complex problem which requires, in particular, resolving preliminary issues. Thus, the legal status of the conclusion of international agreements is quite complicated. There exist various kinds of such agreements and various procedures for concluding and ratifying them. Until these aspects, which at present are being considered by the Legislative Council and are correspondingly regulated by the Constitution, are brought into order, such an expansion of the Tribunal's competences is not feasible.

Also to be ordered is the question of the procedure whereby superior agencies can evaluate the legality of local laws. In my opinion, this would be premature to discuss without prejudging the matter. Besides, I believe that the Constitutional Tribunal should not supplant the activities of other state bodies. Hence this is a matter that still requires thorough analysis and discussion—also in the context of the intended amendments of the decree on the system of people's councils and local self-government.

[Question] Last question: what cases will next be considered by the Tribunal?

[Answer] Four matters are in the stage of preliminary proceedings before the Tribunal: two, concerning social insurance; one concerning the tax on excess wages; and one on land use management in cities, undertaken on the initiative of the Tribunal itself. The justices investigating these matters will decide whether they should be on the Tribunal's agenda. For this reason I would rather not discuss them in detail at present.

[Question] Thank you for the conversation.

1386

CEMA Integration Efforts, Difficulties Discussed in Forum

26000301 Warsaw *POLITYKA-EKSPORT-IMPORT*
in Polish No 8, Apr 88, pp 17, 18

[Roundtable discussion: "Some Are Not Pulling Their Weight"]

[Text] Are member countries of the socialist commonwealth mature enough for genuine integration? What should and can be done to speed up the integration processes?

The following took part in a discussion at the editorial office: Prof Pawel Bozyk, director of the Institute for International Economic Relations at the SGPIIS [Main School of Planning and Statistics]; Stanislaw Dlugosz, deputy chairman of the Planning Commission; Wieslaw Grudzewski, deputy minister in the Office of Scientific-Technical Progress and Implementation; Prof Jozef Soldaczuk, director of the Institute for Trends and Prices in Foreign Trade. The editorial board was represented by Prof Jerzy Kleer and Pawel Tarnowski, who prepared the discussion for publication.

[Jerzy Kleer] Over the last dozen or so years, the Council for Economic Mutual Assistance has failed to adjust to changes taking place in the world economy. At present, it accounts for a smaller share of the turnover of world trade than it did in 1970. The combined debt of the CEMA countries amounts to \$130 billion. In many industries the technology gap is widening, which separates us from the leaders. Adjustment processes are too slow and inefficient in too many instances. Also, we do not have a joint policy with regard to other groups [of countries].

This is, very briefly, how we look in the international arena. What is going on inside the organization also does not breed optimism. It should be noted that it has already been 17 years since an integration program of the commonwealth was adopted at the Bucharest session. What has happened? Not a single one of the important provisions proclaimed there has been carried out thus far. If there has been some movement ahead, it has been slow and has been made reluctantly.

At present, the situation has changed to the extent that the necessity to make profound changes in the principles of the organization's operations is recognized in many, though still not all, member countries of the CEMA. Various general resolutions in the matter have been adopted at the highest level. Since actions do not always follow the resolutions, a question arises whether the socialist countries are mature enough for integration. If that is so, what are the forces which hamper this, as it were, desirable process? To the possible accusation that I am being too negative, I will respond that I am doing it on purpose. Mutual satisfaction with how well things are going will not accomplish much. At issue is an in-depth analysis of the barriers which impede the development of the CEMA. In my opinion, they are many.

[Stanislaw Dlugosz] I accept the convention of discussion proposed by the editorial board, though I disagree with some of the evaluations given a moment ago. At a certain stage, the CEMA and its mechanisms played a positive role in shaping what we call the socialist community. In my opinion, the Bucharest program which you have mentioned even came before its time. For example, proposals on financial and currency settlements were indeed innovative. It is another matter that few of them have been implemented so far. On the other hand, many of the still operational "old" arrangements

have outlived their usefulness and are in need of a radical restructuring, as has been stressed many times by leaders of the CEMA states. This involves all basic instruments which shape economic cooperation with foreign countries, and that includes the price system and currency settlements, which are the least developed in the commonwealth. In practice, we have not gone beyond bilateral relations, or the simplest form of cooperation, so far.

I agree that the last, 43rd session as well did not produce a breakthrough in this field. It is important, however, that new directions for activities were mapped out there. Specific deadlines for implementation were also set. If a genuine, let us call it, "economization" of the instruments of economic cooperation occurs in keeping with this schedule, it will be a considerable step ahead.

[Jozef Soldaczuk] When we criticize the current state of integration of socialist countries, we generally forget the historic, structural factors which have shaped it. The states belonging to the commonwealth inherited, or rather adopted, the Soviet autarchic concept of development from the inter-war period. It may have been justified and possible to implement for a country of continental extent, in that particularly hostile era for the Soviet state. At the time, this was to a degree a necessity for the USSR. Unfortunately, this model was reproduced by other countries of Eastern Europe, which were smaller and considerably less endowed with productive resources. After all, they operated after World War II, under entirely different conditions, i.e. these of the emerging commonwealth of the socialist countries. Close, mutual economic cooperation was not used to develop specialization and division of labor.

The Same Arguments

Discussions on the need for an international division of labor among socialist countries began as late as the second half of the 1950s. We might say that the value of Adam Smith's theory was discovered as late as 1958. They came to recognize the usefulness and rationality of the theory of comparative costs by David Ricardo later yet. Still later (the second half of the 1960s) they addressed the so-called "intra-branch division of labor" and the benefits of mass production combined with restricting the number of lines and types of goods produced.

The term "economic integration of socialist countries" came to be generally accepted as late as the beginning of the 1970s. Prior to this, it had been ostracized. This alone shows the conditions under which we had to advance this cooperation. As time went by, it was considered theoretically with increasing intensity. In practice, it has long been and continues to be burdened by traditional concepts of autarchic development. This is

also why I personally view the Bucharest program somewhat differently. To me, it was an attempt by both theoreticians and economic practitioners to make up for the previously lost years, rather than a program ahead of its time.

[Jerzy Kleer] It is hard not to notice that taking even the smallest step ahead in this field takes forever. Time is against us.

[Pawel Bozyk] For many years, I and almost all of the present company have been taking part in similar discussions. More or less the same arguments, mostly correct, are made in the discussion. However, I am coming to believe that their rationality is, unfortunately, only imaginary, since nothing changes. I think that changes proposed by Minister Dlugosz, e.g. in the currency and financial system, are certainly needed, but highly insufficient in order to solve the entire problem.

Also, I am against the thesis that only economic practitioners are responsible for all failures in the economic integration of socialist countries. There are many more "culprits."

[Jozef Soldaczuk] Certainly, the reasons are more complex. As a result of a similar development strategy adopted by all East European countries, an economic structure with little room for complementarity has taken shape. Also, the system of centralized command planning and management failed to facilitate international specialization and reinforced autarchic tendencies. The power apparatus was to a great degree interested in carrying on with traditional directions and methods of development. In individual countries, powerful "lobbies" interested in maintaining the status quo have formed. The weakness of the economic theory of socialism, that is, of the economists made overcoming the status quo difficult, and often reinforced it.

Others Have Difficulties, Too

[Stanislaw Dlugosz] It is true that the pace of integration could have been quicker, at least after 1971, and the decisions made by the 43rd CEMA Session should have been adopted sooner. However, are we really that far behind? The Treaty of Rome regulating the operation of the European Economic Community was signed in 1957. A truly integrated EEC market will at best be introduced in 1992. After all, 35 years will have passed from creating the concept of a common market and its actual implementation. To be sure, technically we got started even sooner, in 1949, but the real drive for integration came only at the Bucharest session in 1971. Only recently was the concept of an integrated socialist market born. Its formation can be expected towards the end of the 1990s. If this plan works out, then we are looking at accelerated integration. It is true that we have lost a lot of time; however, we finally have a suitable signpost. Now a lot will depend on our initiative, that is, active [presence] by Poland in the forum of the organization.

[Wieslaw Grudzewski] Unfortunately, the development of not only purely economic, but also scientific-technical cooperation is lagging. The fact that the Americans feel the gap separating the Japanese from them is closing, and the one between the entire Western Europe and Japan and the United States is also closing, gives us little solace. How are they trying to counteract it? Obviously, by developing integration processes. A large program of scientific-technical cooperation "Eureka" is operating well in Western Europe, as well as several other, smaller undertakings involving new, revolutionary technologies of the late 20th—early 21st century.

In response to their activities, we have prepared a joint program of scientific-technical progress, because in the socialist commonwealth as well the view is slowly taking hold that individual countries, with the possible exception of the Soviet Union, have no opportunity to close the present and constantly widening technological gap between them and the world leaders. It is a very good program, and it embraces all key fields, among others, electronics, automation, nuclear energy, new materials and biotechnology. We know what we want to do, where we should search in fully creative and original ways and on what points we should restrict ourselves to emulation. Practical implementation of this program looks considerably worse. Barriers such as different financial and economic systems and forms of integration exist.

[Jerzy Kleer] We know what we want. We are able to develop a certain concept. Everybody is in favor of implementing it. What stands in the way of us translating words into actions?

We Speak Different Languages

[Stanislaw Dlugosz] Well, everybody is in favor of integration, but almost everybody interprets it differently. It is not true that more radical solutions meet with nothing but support in the CEMA forum.

[Jerzy Kleer] A simple statement of fact follows from what you have said: without an authentic market there will be no genuine integration processes.

[Jozef Soldaczuk] It is hard to argue against this. As a matter of fact, a reconstruction of economic systems is underway in all socialist countries. Attempts at building market mechanisms into the system of socialist economy, which is now going to be managed differently, are in progress almost everywhere, though on a different scale. The same should be done within the framework of the entire group. Nobody has done that yet, but there is no other way.

[Wieslaw Grudzewski] Our road to integration is still very bumpy. Let us look at what is going on in, say, the field of scientific-technical progress—how considerable legislative differences are; how different the financial and economic systems; we still do not have a joint

currency; the price systems differ, which causes recalculations of the results of work by a Polish engineer through using the dollar, the ruble and the zloty to yield amusing results. There are also significant differences in mentality, in approaching the issue of integration, in the methods of operation. Unhealthy engineering ambitions happen, when every country wants to execute everything itself from beginning to end. This was the case with designing a joint color TV set, delivery truck etc.

The very simple fact of tightly closed borders is a big barrier, since even the exchange of specialists and information and shipping technical and technological models runs into tremendous obstacles. Finally, direct cooperation by designers, research facilities and industrial enterprises is still too weak. Too much is decreed from the top. Too little is implemented at the bottom. This is a big mistake.

A Litany of Wishful Thinking

[Pawel Bozyk] This we have also heard many times. It suggests that in this field as well there has been little change in years. But how could it be otherwise? In the GDR, Czechoslovakia and Romania, we are still looking at directive-driven command-and-allocation systems in their pure form. In Bulgaria, there is a mixture of directive and parametric systems and, since recently, decentralized administration. In the Soviet Union, the centralized system is still in effect, though a great discussion on changing it is underway. In Poland and Hungary, parametric systems have emerged, with a certain amount of direct influence on the enterprises by the state. Regardless of the existing differences, all of these economies are closed with regard to the migration of the labor force and transfer of capital. Only Hungary has made greater progress in the field of trade. I doubt very much whether in this situation a convertible currency and a system of multilateral financial settlements can be introduced at all and, even if they could, whether the integration process will move ahead faster. No conclusions have been drawn from the experience of, say, the past 20 years in developing further programs of cooperation within the framework of the CEMA. We are still involved in compiling pieces of wishful thinking. An attempt is being made to apply the instruments of an open economy to autarchic economic models. There is no indication that over the next 20 years positive changes will occur unless there is a change of values in this field.

[Wieslaw Grudzewski] Certainly, the unsolved problems of 20 years ago are still an impediment. We will have to return to them and find an adequate remedy whether we like it or not.

[Stanislaw Dlugosz] I disagree with Prof Pawel Bozyk on two points. Firstly, the current situation cannot be compared with that 20 years ago because of, if nothing else, the scope of changes in the interim in the Soviet Union, the country which, perhaps, determines most of all the pace of changes in the integration process. Some

of the notions accepted there, such as, say, the draft of an integrated market or multilateral settlements, were out of the question not only 20, but even 10 years ago.

My apprehensions are of a different kind. Integration processes will not develop successfully unless we are able to create an objective methodology of price setting in our community. In my opinion, this is exactly where the largest area of uncertainty is found. As of now, every state has a different view in the matter.

Here is another burning issue. There are considerable shortcomings in the processes of adjusting to closer integration in enterprises themselves. Not everyone in the CEMA countries subscribes to the notion that the enterprise is the main element to be endowed with relatively broad autonomy, certainly within the framework of a particular legal order. To be sure, this way of thinking has increasing numbers of proponents. However, in their turn, mechanisms forcing a majority of enterprises to export are not already in place everywhere. The slogan "if you want to live well, you've got to export" should become a tenet of the art of managing the economy, and not in Poland alone. Only then will the enterprise have to begin adjusting to external markets with their generally higher demands. Such pressure can push all of us ahead.

[Jozef Soldaczuk] At present, it appears to me a mistake to lump all socialist countries together and fail to notice the systemic changes underway in them, as Prof Bozyk has done. The view that a profound reconstruction of the economic system and building it on cost-efficiency calculations and market mechanisms is necessary is beginning to dominate in an increasing number of countries, including the Soviet Union. This process is getting underway despite powerful and contradictory interests of various groups, including representatives of the state administration and bureaucratized apparatus. New directions for activities have been mapped out in individual countries and throughout the CEMA organization.

[Jerzy Kleer] The conclusion may be as follows. A need for cooperation appears to be felt by all; however, there are certain forces and objective, various as it were, obstacles on the road to integration. We have mentioned some of them already. In my opinion, we should also add to this already long list the lack of courage and determination in the economic apparatus, which should, after all, be the engine, the most significant driving force in the actions undertaken. In some countries, they still believe that certain thorniest issues may be resolved single-handedly. Incentives for integration do not appear strong enough in some cases. It looks like some countries have not really grown up to integration.

Let Us Not Wait for Everybody

[Stanislaw Dlugosz] Those less enthusiastic may be left out in some cases. After all, the principle of "partial

consensus" applies in the CEMA. Several countries have a right to enter into an agreement on a specific issue without waiting for others, and this is already being practiced.

We should also remember that Poland, as well as other countries, proceeds with the model of international rather than supranational integration. Accepting such an arrangement, which in our case is correct, comes at a price. The need for frequently arduous negotiations is that price.

[Wieslaw Grudzewski] It hardly comes as a surprise that some states frown upon integration arrangements proposed to them if giving up the development of modern industries is "the price." A division into countries which would handle exclusively, say, the iron and steel industry, and others having a monopoly on electronics or biotechnology is bound to raise objections. After all, such pseudo-integration proposals are still being made.

[Jerzy Kleer] The course of the discussion so far indicates that we differ on many specific issues, e.g. in our view of factors hampering the integration process and whether members of the organization have grown up to more ambitious plans. However, we agree on one point. A lot of time has been wasted. It is time to accelerate our activities markedly. Otherwise, our organization will continue to hold a progressively lower position in the world economy. What can we do in practice in order to prevent this from happening? What do you think about the opportunities for partial integration of, say, several states which have similar views on further economic development?

Unnecessary Binds

[Jozef Soldaczuk] The first step appears to be obvious. There is an absolute necessity, and now perhaps a real opportunity, to discontinue quota-based interstate economic agreements cleared bilaterally for individual product groups. Their existence stifles the development of trade and mutual cooperation. Exchange must be freer, especially at the level of enterprises. For genuine rather than imaginary direct cooperation of economic organizations it is necessary to create adequate conditions by introducing realistic currency exchange rates, objectivized price arrangements and a system of multilateral settlements. At present, bilateral settlements actually dominate; the so-called transferable ruble is a non-convertible accounting unit, and its exchange rate is kept at a high, unrealistic level solely due to non-economic considerations, regardless of the economic realities. Prices in foreign trade within the framework of the CEMA are "historic" and do not conform to either world market prices, costs of production or scarcity values. Also, they are not tied in any way to domestic prices, which, in their turn, differ tremendously in individual countries. High rates of inflation in Poland have to "coexist" with rigid prices in the GDR or Czechoslovakia.

How are we to settle sensibly in national currencies under such circumstances? It is necessary to streamline such interconnected elements as rates of exchange of national currencies against each other and against the joint currency, prices in foreign trade and a system of settlements in a situation when the corset of bilateral quota-based trade agreements is loosened.

[Stanislaw Dlugosz] We are observing phenomena which indicate that in the future the efficiency of integration processes in the socialist countries does not have to be low. New mechanisms for plan coordination have emerged. Until recently, they were highly formalized. This process remained almost entirely within the jurisdiction of central planning organs. Also, everything was cleared bilaterally, strictly and at all times. Now it is beginning to be different. Some countries proceed from the assumption—and this view is increasingly accepted—that central coordination can be significantly reduced, and some kinds of operations, e.g. crossborder exchange and cooperation between enterprises, can be entirely excluded from it as liberalized activities.

As present, we are developing a concept of international division of labor until 2005. It specifies the goals we are aiming at and priority industries, the same as those designated in the comprehensive program of scientific-technical progress.

Unfortunately, the process of streamlining the price system is considerably less advanced, which we have already mentioned. In reality, the matter is more complex than Prof J. Soldaczuk stated. There are clearing prices, specific prices for industrial installations built on the territory of one of the countries of the community on the basis of domestic cost estimates; we have hard currency prices and, finally, preferential prices for some countries. Poland is in favor of objectivizing and unifying the methodology of setting prices for goods and services.

We are introducing new financial mechanisms. I mean using settlements not only in transferable rubles, but also in the currencies of the exporter or importer (which is exactly what Poland is advocating). Seven countries have already consented to this. Czechoslovakia and Bulgaria have signed requisite agreements with the USSR in this matter. Poland is negotiating. This is a novelty in settlements among the CEMA countries. We will see if it works out.

We also want to gradually bring about a situation when a country having a surplus in trade with the remaining countries by the end of an accounting period would be entitled to purchase, at least for a part of the surplus, basic raw materials, sought-after goods or to obtain currency. "A gilded balance" would certainly be a step towards multilateral settlements. This will become reality after 1995.

All of these should be seen as successive, preliminary steps towards an integrated market, in which free transfer of goods, services and means of production will be possible. Several stages of attaining this goal are envisaged. Groups of experts are at work even now. Particularly interesting propositions are found in Soviet studies.

A New System Is Needed

[Jozef Soldaczuk] Preservation of the price system in foreign trade, based on the principles worked out in 1958 and still in force, is an anachronism and a road to nowhere. The only sensible solution would be to introduce contract prices negotiated among enterprises for the term of validity of contracts, with respective protective codicils on revising the distribution of benefits etc. Therefore, they should not be set through intergovernment negotiations. World market prices should be the basis for setting such [prices]. Only in this fashion can we abandon "historic" prices, for which there is no economic justification at all. I believe there is an opportunity to give up bilateral balancing of trade in raw materials, fuels and agricultural commodities. This may be achieved by way of multilateral commodity agreements, known but unfortunately not used in the CEMA. They bring together both exporters and importers, set minimum and maximum prices, obligating exporters to deliver agreed-upon amounts at prices not below the minimum, and importers to take deliveries at prices not exceeding the maximum. If used by the CEMA countries over, say, 10-year periods, they would amount to long-range specialization agreements. They would also ensure stability in raw material prices without making them rigid.

General agreements specifying the volume of turnover and the principle of settling [outstanding] balances would be sufficient for other goods. The emergence of the authentic transferable ruble or, better yet, the introduction of external convertibility of the Soviet currency is a precondition for carrying out such projects. It is also imaginable that all socialist countries would join the International Monetary Fund and settle in the SDRs [special drawing rights]. However, this in particular is perhaps the least probable. Realistic exchange rates and a price mechanism which reflects genuine value are simply a necessity. Everybody will finally calculate out what does and does not pay for him. We cannot expect enterprises to begin carrying out even the best specialization programs of the CEMA coordinated at the top if they see no economic sense in it. Nothing will be achieved by command methods.

[Wieslaw Grudzewski] The barriers are many, and they should be overcome in different ways. In the field of scientific-technical progress, Poland is proposing joint financing of particularly important undertakings, direct cooperation being the primary mode of operations. We want to participate in as many projects as possible, organize joint institutes, laboratories, experimental and production enterprises, including those in the form of

partnerships. We are proposing settlements over 5-year periods. Only this makes sense. We are also trying to streamline regulations on patents and licenses.

We Will Not Get Far by Taking Small Steps

[Pawel Bozyk] I am listening to your statements with interest, and I am coming to the conclusion that you see a panaceum for the shortcomings of the integration process in socialist countries in partial changes of economic instruments, i.e. in making currency exchange rates or the price system more realistic, or in pragmatic actions. As I see it, this is like entering a room through a vent-hole rather than the doors.

[Jozef Soldaczuk] And where would those mythical doors be?

[Pawel Bozyk] Mutual adjustment of economic policies is the fundamental issue. At present, every country carries it out absolutely on its own, taking into account only its individual needs and opportunities.

Please do not get me wrong. I am not a proponent of supranational policy. I am fighting for an opening of national policies in the direction of integration. Cooperation cannot be a marginal effort. Nor can it be forcibly drummed into somebody's head. At issue is a change in mentality, a completely different approach to the matter. There must be a free movement of not only goods and services, but also of capital and labor.

[Jerzy Kleer] We should add to this list a request to fully develop regular tourism.

[Pawel Bozyk] Essentially, our countries are still closed and isolated. Changes of prices alone will not suffice. Don't you think that now we may return to the concept of "small" CEMA created by several countries most interested in it rather than all the 10 of them? We should not drag along the partners who just don't want it!

[Jozef Soldaczuk] Technically, there is such a possibility. However, at least several of these countries have got to be interested in developing integration undertakings in a smaller group.

[Wieslaw Grudzewski] Since we are on the topic of opening borders, adjusting financial and economic systems, direct cooperation by enterprises, [conduct of] foreign trade by lower echelons, prices and realistic exchange rates: all of these issues call for a great political opening. Without it, things will inch forward in a very lethargic fashion.

[Jozef Soldaczuk] Such an opening between Poland and Hungary has already begun, but the results are still not in line with our expectations.

Closed Borders

[Jerzy Kleer] Listening to you, we may conclude that we are trying to do a lot in order to facilitate the transfer of goods and services and create an integration [-oriented] structure of production. At the same time, little or nothing at all is being done to bring the people closer. In other words, first a system of connected national economies must emerge, and only later will the borders be open. Our competitors are far more advanced in their integration processes than we are. However, we have already lost too much time in order to follow their path step by step.

[Jozef Soldaczuk] We must be pragmatists. We should begin from trade, industrial cooperation, forming stock partnerships and so on. Conditions for this, that is to say, for multilateral settlements, among other things, should be created. All of this will serve to promote integration, which, after all, we should not be the only ones interested in. Failed attempts to liberalize the movement of persons between Poland and the GDR and recent difficulties in tourist traffic between Poland and Hungary and Czechoslovakia are the consequences of disequilibrium in our market and very different price structures, often times altogether nonsensical differences in domestic prices. In my opinion, bringing them closer together is a prerequisite for greater opening of the borders.

[Pawel Bozyk] From what you gentlemen, with the exception of Prof Kleer, have said, it follows that everything is going quite well. Meanwhile, Soviet publications, if nothing else, suggest that our partners are much more critical in their evaluations.

[Jozef Soldaczuk] We are critical enough. However, the period of diagnosis is already behind us. Here we have just tried to answer the question on what can be done to move ahead faster.

[Jerzy Kleer] The main policy avenues for the integration process outlined by you in theory finally guarantee some progress. Will we succeed in implementing these plans? This, obviously, does not depend on Poland and the Poles alone. I agree with the view voiced here that success or failure will hinge on political factors, the reason being, among other things, that in our countries politics still dominate over economics, regardless of whether we approve or deplore this phenomenon.

Thank you for taking part in the discussion.

9761

**Public-Transportation Workers' Woes Outlined,
Appeal to State**
26000324 Warsaw ZWIAZKOWIEC in Polish
No 16, 17 Apr 88 pp 1, 6

[Article by Dorota Kobialko: "Ride Without Cheers"]

[Text] "Some people envy us our high earnings. Seventy [thousand zlotys monthly] or perhaps even more. And that when working for a state-owned company! This is

shocking. Yes, I also make some money. Not as much, but no one considers how many hours I must drive per month in order to get paid that much. Besides, given present-day prices I do not live on caviar and champagne. I cannot afford a color television!

"Besides, how long can one stick it out working not just 187 but 240, 280, and sometimes even 300 hours a month? When can I have the time for recreation, to see a movie, or to take a walk with my family. And what about my health and physical fitness for this responsible work? Will we get compensated for our ulcers, stress, heart attacks? Who knows how many of us will fall sick before reaching retirement age? How many of us become exhausted from overwork? How many of us in the best case—because worse things do happen—retire prematurely with a pension? And has anybody considered the causes of the increasingly frequent accidents?"

[The above quotations are cited without attribution]

Myths and Reality

Competitive wages, attractive work, splendid benefits, a nonreimbursable loan of 100,000 [zlotys].... Advertisements on television, in the press, at the labor exchange.... Nowadays hardly anyone will be fooled by the myth of the wage aristocracy working for urban public transit. Each month there are only several applicants for such work, and each month three times as many people submit requests to be allowed to quit it. Only the hardest individuals stay in these jobs. Most people do not stick it out long there.

Several weeks ago the cost of using public transit has increased considerably, while the wages of its employees also increased, but not considerably.

As late as a couple of years ago it used to be said that whoever wants to make a good living should become a bus driver or a trolley motorman. And indeed the earnings of that group of workers were above the national average. At the time there was no problem in finding willing job applicants. On the contrary, it was possible to choose among them. Drivers with university and polytechnic degrees were no rarity.

In 1984 the average [basic] monthly wage in urban public transit was 19,000 zlotys compared with 16,000 in industry and construction. A year later it rose to 21,000 while the wages in industry and construction rose to 22,000. The labor market immediately reacted: the turnover of the labor force increased by year end to 25-35 percent depending on the region, especially in the larger cities. It was chiefly young people who quit their jobs. But people with a long seniority record also left, and these were the hardest to replace.

In 1985 a new wage system was introduced. It did not help much. First, because it was applied too late, and second, because not all the public transit enterprises

decided in favor of radical measures. At most of these enterprises 15 different forms of bonuses along with 80 different kinds of supplementary pay and allowances operated. The only common element in the pay of drivers at different enterprises was seniority and the associated awards. With several score factors determining a driver's pay, few drivers knew exactly what they were paid for.

The pay increases depended on the possibilities of the individual transit enterprise and usually were not high.

In mid-1986 for example, the Voivodship Transportation Enterprise in Konin operated at a deficit of 2 billion zlotys. It came under receivership and was threatened by bankruptcy. The bank suspended its credit.

Wroclaw Poses a Veto

The Municipal Transit Enterprise at Wroclaw has been just a step from bankruptcy for the last 2 years. Two years ago its deficit was a quarter billion zlotys, and 4 months later, half a billion. For 1987 the anticipated deficit was 4 billion! This amount represents the difference between the operating cost of the enterprise and its revenues from sales of services.

The plans for a moderately complete satisfaction of the city's public transit needs in 1987 envisaged an employment of 4,000. The actual figure fell short of the target by 600 new employees, chiefly bus drivers and trolley motormen. This was adversely reflected in the level of transit services and chiefly in the employees. Their driving schedules became more and more crowded and they had to work overtime owing to the manpower shortage. As for the rolling stock itself, its condition fortunately was not troublesome.

The management and the trade union assessed the situation as menacing. They notified the ministry and held talks with the City Hall. They demanded a full subsidy from the municipal authorities, or at least a subsidy at the same level as last year. The municipal authorities promised it, but they did not keep their word.

"The lack of funds has in recent times caused a huge turnover of our labor force," said Jozef Druker, chairman of the trade union. "There is no day without a dozen or so job resignations. Of course we talk with these people, explain the problem to them, and some of them then postpone their decision to leave us, for some time. The principal reason is wages. The top wage for bus drivers is 102 zlotys per hour, which for those working the minimum number of hours amounts to 17,000 zlotys monthly. But most drivers get paid 94 zlotys per hour. Including allowances and overtime pay (270-280 [hours]) they earn 40,000 to 50,000 zlotys monthly. This is hardly an attractive wage.

The wages of maintenance personnel are much lower, and hence even more of them quit their jobs. The last few days have been particularly difficult—the maintenance personnel refused to work. This situation cannot be protracted any longer.

On 28 March was held a meeting between the enterprise's representatives and the municipal authorities. Fortunately, an agreement on price increases was reached. They will cover 70 percent of the employees, whose monthly wages will increase by an average of 4,200 zlotys. It is hard to say whether this will satisfy the workforce. So far, the Wroclaw Municipal Public Transit Enterprise and two or three more such enterprises in other cities can expect an alleviation of their manpower problem.

A Collective Dispute

Urban public transit in Szczecin, Lodz, Lublin, Gorzow, Rzeszow, and elsewhere is still going through difficult times. The manpower shortages are being patched up by introducing summer schedules for buses. Some buses are immobilized. The work hours of drivers are growing longer. Negotiations alone do not suffice, the more so because the municipal authorities (or parent agencies) are in no hurry to decide, owing to their lack of subsidy funds, they explain. The national government also has adopted a delaying tactic, so to speak. On 22 March the Federation of Urban Public Transit Employees sent a letter to the prime minister requesting his assistance in resolving the problem. So far it has not been answered.

"The absence of a rapid decision," the Federation wrote in its letter, "will cause a growth in the tension, which may develop into an uncontrolled turn of events that may be difficult to master in view of the services we provide." And further, "The Federation's Presidium stresses forcefully that it shall not deviate from the statutory powers of the trade union for the sake of realizing the just demands of the labor forces."

The situation of urban rapid transit, whose efficiency has been declining in the last couple of years, is known to the ministry but so far it only displays cheerful optimism and has splendid plans for restoring the situation to normal. But the reality remains gloomy. Half-way and belated measures are being taken, by analogy with an ambulance coming for a moribund patient. As for preventive measures, these are not being taken.

Great hopes had been placed in the new incentive systems. But they failed. Since then several successive pay increases were carried out. Again, nothing. The collective bargaining agreement, so long awaited by the transit employees, is still in its birth throes, in a protracted preliminary stage. And yet, wages of transit employees should be increased immediately, and substantially at that. They should be above-average, as in other countries.

It is apparently time to put an end to complaints about unprofitable municipal services. Attempts at self-financing did not succeed. The tax on excess wages, introduced in emulation of the same tax at manufacturing enterprises, also was not a success. All this will not be remedied by isolated measures, periodic tax relief, and clinking coins, by analogy with giving an injection for pain. These are only seeming moves.

Besides, this is not a question of just money. The enterprises have it, but they cannot use it according to need. They cannot set aside that money for wages, owing to the regulations. But they can spend it on training new personnel, advertising, and propaganda! The revenues transferred to the city's coffers are got back in the form of subsidies—subsidies that are paid irregularly and skimpily, as if giving to poor relations. It is the ill-conceived regulations, most of all, that are responsible for the recently so tangible labor unrest.

It is high time to draft uniform laws for budget enterprises, such as would not equivocally refer to the autonomy of urban public transit enterprises while at the same time hobbling that autonomy!

Once one of the old trolley men who remembers the old times said, "Why not hire the trolley out to me? I'll make sure it runs efficiently and regularly. I'll make some money and even treat the passengers to coffee...."

Perhaps this would be worth trying?

It is not known as yet whether in the next few days flag-bedecked buses and trolleys will appear in the city, if the transit employees' federation decides to proclaim a collective dispute. Suffice it to say that the situation has reached a stage at which it has to be treated seriously, as it deserves to be. The troubles of urban public transit affect adversely not only its employees but also the society, and its poorest segment at that.

[Inset] At the Last Moment: And Yet a Collective Dispute

The Federation of the Trade Unions of Urban Public Transit Employees in the PRL [Polish People's Republic] waited until the first days of April for the government to take a position on the recently worsening situation in the subsector, a situation that is positively dramatic at many urban transit enterprises owing to the unprecedented work stoppages by bus drivers, motormen, and maintenance personnel. The reason is low wages and the exceptionally difficult working conditions.

On 14 February the Federation, to which the local trade unions of transit employees along and across Poland had anxiously appealed, sent to the government a letter stressing the importance of the problem and the need to take immediate steps.

The government has not so far responded.

Toward the end of March, therefore, being placed under this obligation by the transit employees, the Federation decided to proclaim a collective dispute.

On 6 April the Federation's Presidium edited the draft of the notice announcing a collective dispute with the government. On the same day, the notice was dispatched to Prime Minister Zbigniew Messner.

In the event of absence of a reply, or of a negative reply, the Federation favors taking additional measures as authorized by the decree on trade unions, until such time as it receives assurance that radical steps shall be taken to resolve wage problems uniformly for all of the country's urban public transit enterprises.

The extent to which the Federation will avail itself of its statutory powers is still unknown. This will depend on the manner in which the problems of this important public-service subsector are treated by the government side.

We shall inform our readers about the results of the talks with the government.

We shall return to this issue in the immediate future.

1386

Working, Living Conditions in Lodz, Textile Industry Decried

26000327 Katowice GOSC NIEDZIELNY in Polish
No 15, 10 Apr 85 p 1

[Article by Barbara Skiba: "Ill-Fated City" under the rubric "Observations"]

[Text] Lodzians working in industry earn on the average 14 percent less than their counterparts in other Polish cities. Consider also that no developed country in West Europe employs such a high proportion of women in industry compared with Lodz, where women account for 70 percent of the textile industry's workforce. Some of these women work in conditions similar to those of their greatgrandmothers, since 16 percent of the industry's machinery pool dates back to 1897-1910. Moreover, a large part of the machinery of the cotton, linen, and silk haberdashery subsectors has been in operation for more than 20 years. Were that machinery to be shut down, output capacity would be cut by up to 50 percent.

Light industry, of which in Lodz they say that it is not "light" at all, has been for years discriminated against and underinvested. In the 1960s that discrimination was justified by the argument that the center of gravity of that industry was shifting to the Third World, and that in Europe even such a textile power, with such traditions, as Great Britain, has reduced facilities and employment by 30 percent. But no mention was made of the fact that the British had at the same time doubled and tripled capacity. An opportunity for updating textile-industry

facilities had arisen in the 1970s. But at that time, mistakes were made in all subsectors, including the textile subsector. Standard instead of state-of-the-art machinery was imported and licenses for obsolete machinery were acquired; moreover, neither these licenses nor the domestic textile industry were developed. The progressing decapitalization resulted in a 10-27 percent decrease in the output of various types of textiles. It is thus nothing surprising that the annual per capita textile output in Poland is 10.5 kg compared with 17 kg in the GDR. These figures are confirmed by day-to-day life, by the problems we have in buying underwear, hosiery, and haberdashery, let alone children's clothing.

The women of Lodz's textile industry thus operate old machinery in the presence of industrial noise which exceeds 90 decibels in spinning and weaving mills, in a noxious microclimate (heat and dampness), and in air saturated with harmful dust particles. The dust concentration averages 4 mg/cu m, of which one-half is the extremely toxic silicon dioxide. As many as 40 percent of all work stations are exposed to the effects of silicon dioxide, and at the Marchlewski Cotton Industry Plant as many as 65 percent. Last December Lodz was alarmed by a tragic accident: at the St. Hartman Cotton Industry Plant, owing to a hydrogen sulfide leak, three workers died and 20 were hospitalized for poisoning. This is a proof of the rise in the frequency of accidents (to 18.1 from 16.4) in the last 3 years, as well as in their severity.

As many as 28.4 percent of the women employed in Lodz's light industry work on three-shift basis; this includes the three largest Lodz plants: the "Defenders of Peace" ZPB [Cotton Industry Plant], the J. Marchlewski ZPB, and the "May Day" ZPB.

Barely 30 percent of the women—those youngest and with the least seniority—can be considered healthy. The other female textile workers suffer lengthy ailments, acquired owing to their difficult working conditions. For example, hearing impairments due to excessive noise occur in as many as 40 to 80 percent of these workers.

The unfavorable working conditions are causing other chronic diseases, such as varicose veins, osseointerarticular degeneration, hypertension, chronic bronchial catarrh, and anemia. Anemia, which strikes 35 out of every 100 working women, is in Lodz an unsolved social problem, and one additionally menacing because it affects young women. Birth rate in Lodz is steadily declining; it is now 0.6 percent compared with the national average of 0.8. The death rate of infants is likewise higher—2.19 percent, compared with the national average of 1.83 percent; this is due to more frequent miscarriages and premature births, the low body weight of newborns, and the unfavorable living and hygienic conditions of their families. Twenty two percent of the female textile workers live in substandard housing that lacks elementary amenities, and [per capita] dwelling area in Lodz and Lodz Voivodship is 26 percent smaller than in the country's other cities.

All these misfortunes of Lodz have recently been compounded by another—a major peril to the safety of the inhabitants owing to the fatal condition of the city's gas installations and network. The situation has become dramatic. Gas explosions have already resulted in deaths and deprived many inhabitants of a roof over their head as well as of their belongings. The most recent gas explosion took place on 4 February, this time fortunately without any casualties. The only way out would be to replace the old and worn underground gas conduits totaling 100 kilometers in length. Each year the Lodz gasworks receive barely 2-3 kilometers of new pipe for this purpose. It is readily seen that, given this pace, the replacement will take about 40 years to complete!!! As to what may happen in the meantime to the old pipe, it is better not to think of it.

DZIENNIK LODZKI of 6 February reported that the municipal authorities requested the national government for help, because they cannot cope with the situation on their own. We do not know whose false ambitions had postponed ringing the tocsin for so long. The female textile workers of Lodz are not asking whose fault it is. Many of them simply are too scared to use gas.

1386

Secular Society Hosts 'Mixed' Discussion Club
26000249m Warsaw TRYBUNA LUDU in Polish
29 Feb 88 p 2

[Text] The Society for the Promotion of Secular Culture [TKKS] has come up with the initiative to found a multi-faceted "worldview" discussion club which would deal with important problems of Polish culture, philosophy, and politics, assembling together major representatives of [these] disciplines and practices. Prof Tadeusz Jaroszewski, president of TKKS, stated that "our goal is the common search for values giving man the fullest answer as to how to live in these contemporary, complex times."

During the first meeting—in which marxists, Catholics, and youth from various social organizations took part—the topics of discussion included matters which have an influence on societal attitudes and its consciousness, as well as what constitutes Polish characteristics.

Millenium of Russia's Baptism Celebrated
26000258d Warsaw TRYBUNA LUDU in Polish
25 Feb 88 p 2

[Text] On 27 and 28 February, celebrations of the millenium of the baptism of Russia were held in Bialystok. They were organized by the Polish Autocephalic Orthodox Church and the ChSS [Christian Social Association]. In the yard of St. Nicholas Church in Bialystok, a cross commemorating the millenium of the baptism of Russia was consecrated. Large numbers of

believers and clergy participated, including the Metropolitan of the Autocephalic Orthodox Church Bazyli and representatives of the clergy of the Russian Orthodox Church.

9761

ROMANIA

Party Organ Reports on Gromyko Dinner Toast
27000080a Bucharest SCINTEIA in Romanian
12 May 88 pp 1, 3

[Report on Toast by Andrey Gromyko, member of the Political Bureau of the CC of the CPSU, chairman of the Presidium of the USSR Supreme Soviet, at the official dinner in his honor in Bucharest on 11 May]

[Text] In his toast, Comrade Andrey Gromyko expressed to Comrade Nicolae Ceausescu, secretary general of the Romanian Communist Party, president of the Socialist Republic of Romania, thanks for the invitation to visit Romania, and for the warm reception which he received.

I have had the opportunity more than once—the speaker said—to visit Romania, to become acquainted with Bucharest, to talk to workers in your country. The hospitality which we feel in your country is evidence of the firm relations of good-neighborliness which exist between the fraternal peoples of the Soviet Union and of the Socialist Republic of Romania.

Referring to Romanian-Soviet relations, the speaker said: Our relations have deep roots, and this is not just a formula of diplomatic politeness. The facts of history—past and recent—are evidence of this.

At the beginning of the century, one of the roads which brought Lenin's "Iskra" to Petersburg and Moscow passed through Bucharest and Iasi—the Romanian socialists helped the Russian social-democrats in this action. This happened early in the revolutionary movement, which soon would be shaking the entire imperialist system to its foundations and which would overthrow the bourgeois-landlord system in Russia, in October 1917.

History has not forgotten, also, that the crew of the battleship "Potemkin", unvanquished by the tsars, directed the ship toward Romania where it was received with approval by the working people. This event made a deep impression on the revolutionary masses of Russia.

In the final stages of World War II, Romanian soldiers, shoulder-to-shoulder with the Soviet liberators, took part in the struggle against fascism. The road to the den of fascism is dotted with a number of graves of Romanian soldiers alongside those of Soviet soldiers.

With justification—the speaker continued—one can say that, from that time on, Soviet-Romanian relations have been nourished from the fountain of friendship cemented by their common goals in the building of socialism.

Then Comrade A.A. Gromyko referred to the restructuring process which is taking place in the USSR, on the basis of the course established by the resolutions of the 27th CPSU Congress. This course—the speaker stressed—takes concrete form in the all-inclusive term “perestroika.” It means that the party is looking for responses to the complex problems which reality presents, not beyond the borders of socialism but, on the contrary, in the development and in the consistent application of profound Leninist ideas, in the revelation of the strong potential of socialism, in the revolutionary renewal of all aspects of life on Soviet society.

Continuing, the speaker said:

The tasks before us are complex and difficult tasks but the party and the people are firmly resolved to overcome all obstacles which still exist today and which might exist tomorrow.

The upcoming 9th Conference of the CPSU will be an important landmark for our progress. It will expand the horizons of the changes, determine the guidelines for the reorganization of the political structure, and indicate the way to increase the role of the organs of democracy.

In resolving the major problems which are facing the Soviet people, we are very much interested in the striving with great attention to study the experience of the other socialist countries.

The forms of cooperation existing between the Soviet Union and Romania cover different areas. We can point to numerous positive results from our joint activity. However, the dynamics of the development of socialism is constantly formulating additional tasks, it is calling for the fuller utilization of the possibilities of socialism, and the enrichment, in this manner, of the content of Soviet-Romanian relations; it is calling for the improvement of their efficiency, for the peoples of both countries and it is urging that a more fertile character be imparted to all directions of collaboration.

The most important work at the present time is to transform prospects for Soviet-Romanian relations into concrete acts. The results of the discussions between Mihail Sergheevich Gorbachev and Comrade Nicolae Ceausescu in Bucharest, at the time of the official visit which the secretary general of the CPSU Central Committee made to Romania in May 1987, serve as a good foundation for this.

At present, issues dealing with the expansion and deepening of mutually advantageous economic relations and the improvement of the effectiveness of bilateral collaboration are matters which are of constant concern. There is a common desire in this area, which is completely natural. As world experience shows, specialization and cooperation in production and the international division of labor are forms of collaboration which are more advanced than a simple increase in the volume of goods.

These forms orient production, in a much better way, toward technical-scientific progress and facilitate the fulfillment of the common objective of increasing the competitiveness of our products on the world market. It is no wonder that these issues are regularly discussed by the representatives of our countries.

Referring to some aspects of international life, the speaker said: The beneficial influence of new political thought is making itself felt more and more in world politics. And this is something which is easy to understand. Mankind is headed toward the day in which the present century, the 20th century, will yield its place to the 21st century. Or, figuratively speaking, the two centuries are looking each other in the eye. Of course, the problem of the legacy which our century will leave to the next century is already presenting itself with full force. Undoubtedly, everyone wants our legacy to be peace, disarmament and above all, the elimination of nuclear weapons.

No sensible person will try to deny that many dozens of states, and even entire continents, are living in conditions of poverty and lack of rights under the yoke of servitude which has been imposed upon them by some big industrial powers. One of the most effective means of eliminating this state of economic servitude would be disarmament and the transfer of the resources released so that they would be of assistance to the needy countries.

Also, of course, the United Nations, whose activity is paralyzed by those who do not want to give up the arms race, could also do much in this regard.

It is the duty of all states, large and small, regardless of the social system under which one people or another is living and developing, to do all they can to ensure disarmament and peace on earth.

Mankind is still impressed by the Treaty on the Elimination of Intermediate-Range and Shorter-Range Missiles signed in Washington. This document was welcomed as a triumph for reason.

At present, as we know, intensive negotiations are underway for the purpose of concluding an agreement between the Soviet Union and the United States of America for the reduction of strategic offensive weapons, while observing the ABM Treaty. The removal of all obstacles

in the way of the signing of this agreement is an important and complex task, but one which can be resolved. It can be resolved if both sides desire an agreement equally and if they are fully resolved to conclude the negotiations with positive results.

For its part, the Soviet Union is trying to achieve this very thing. It is demonstrating that it is willing and it is doing all it can to successfully cross this historic threshold on the road to the complete elimination of nuclear weapons. It would be desirable if the talks during the forthcoming visit to Moscow by the president of the United States of America would take place in this spirit.

We highly appreciate the efforts of fraternal countries directed toward the elimination of the nuclear threat. In this respect, the initiatives of Romania and Bulgaria in setting up a zone in the Balkans free of nuclear and chemical weapons receive our full support. The realization of this idea as well as other constructive proposals of the socialist countries would be an important contribution to the process of disarmament, the organization of regional and pan-European collaboration and the strengthening of security and trust in Europe.

In conclusion, Comrade A.A. Gromyko wished the workers in socialist Romania new successes in carrying out the decisions of the 13th Congress of the Romanian Communist Party, and also happiness and prosperity.

He also wished that the unbreakable friendship between our countries and peoples would grow in strength!

/9738

Appointment of People's Councils Officials
27000080b Bucharest BULETINUL OFICIAL
in Romanian Part I No 11, 19 Feb 88 p 2

[Text] On the basis of Article 97 of Law No 57/1968 on the organization and operation of the peoples councils, the President of the Socialist Republic of Romania decrees:

Article 1—Comrade Emil Mohan, director general of the General Directorate for Agriculture in Bistrita-Nasaud County, is appointed deputy chairman of the executive committee of the Bistrita-Nasaud County Peoples Council.

Article 2—Comrade Ion Serban, director general of the General Directorate for Agriculture in Constanta County, is appointed deputy chairman of the executive committee of the Constanta County Peoples Council.

Article 3—Comrade Ilie Nicolae, director general of the General Directorate for Agriculture in Dimbovita County, is appointed deputy chairman of the executive committee of the Dimbovita County Peoples Council.

Article 4—Comrade Dumitru Antonescu, director general of the General Directorate for Agriculture in Galati County, is appointed deputy chairman of the executive committee of the Galati County Peoples Council.

Article 5—Comrade Ioan Darabant, director general of the General Directorate for Agriculture in Hunedoara County, is appointed deputy chairman of the executive committee of the Hunedoara County Peoples Council.

Article 6—Comrade Anastase Florescu, director general of the General Directorate for Agriculture in Ialomita County, is appointed deputy chairman of the executive committee of the Ialomita County People Council.

Article 7—Comrade Anton Ioan Pop, director general of the General Directorate for Agriculture in Maramures County, is appointed deputy chairman of the executive committee of the Ialomita County Peoples Council.

Article 8—Comrade Constantin Bazon, director general of the General Directorate for Agriculture in Vrancea County, is appointed deputy chairman of the executive committee of the Vrancea County Peoples Council.

No 18

Bucharest, 16 February 1988

[Signed] Nicolae Ceausescu, President of the Socialist Republic of Romania

/9738y

Roundtable on RCP Policy on National Minorities
27000074 Bucharest ERA SOCIALISTA in Romanian
No 6, 25 Mar 88 pp 15-27

[Discussion by Univ Prof Dr Olivia Clatici, Univ Reader Dr Alexe Andris, Dr Elena Florea, Iosif Boda, Nicolae Ionel, Univ Reader Dr Gheorghe Ilie, Dr Constantin Raducu, Univ Prof Dr Calin Vilsan, and Gheorghe Moca]

[Text] Man's historical development is bringing out more and more strikingly the progressive role of the nation in forming a new world that can effectively promote every nation's creative powers as well as respect for national freedom and independence and enhance all state's collaboration and equality of rights.

Romania is a unified national state wherein Romanian citizens of different nationalities live along with the Romanian workers that make up the vast majority of the population. The national minorities' whole development has been and is closely related to that of the Romanian people and nation, with which they form a single whole. As Nicolae Ceausescu said in his Report to the Fifth National RCP Conference, the national minorities'

future is inseparable from that of the unified national Romanian state and from the unity and solidarity among all Romania's sons regardless of their social categories or ethnic origins.

The RCP has always opposed the policy of minority oppression, and once the socialist revolution was won it began to solve the minorities problem in the revolutionary spirit of Marxism-Leninism, thus securing full equality of rights among all Romanian citizens regardless of nationality. This is one of the great achievements of Romanian socialist society.

The RCP and its secretary general feel that socioeconomic development, rapid progress of the production forces on the basis of socialist ownership, development and improvement of the new social relations, enhancement of workers revolutionary democracy, all-around material and cultural social progress, and Romania's rise to qualitatively higher levels of socialist civilization are the foundations of full equality of rights. Nicolae Ceausescu says, "Implementing full equality of rights means guaranteeing all citizens regardless of who their parents were the rights to work, to education, to development of their personalities, to work in any field for which they are trained and have aptitudes, and to contribute to their full capacity to the general development of the nation and of Romanian socialist society!"

The RCP thinks that firm action must be taken in the future as well to consistently apply the principles of full equality of rights, to secure all workers' participation in social management, and to strengthen the unity and solidarity of all workers of all nationalities as well as the entire people's unshakable cohesion, while also stressing the necessity of firmly rejecting the hostile propaganda of some foreign reactionary, nationalistic and neofascist circles who are trying in various ways to disparage the Romanian people's magnificent achievements and the correct minorities policy of the RCP and the Romanian socialist state and to sow discord and disunion among workers and peoples.

In view of these considerations, in this issue ERA SOCIALISTA is publishing a subject discussion to bring out many aspects of the RCP's views and practice concerning the solution of the minorities problem in Romania.

The Minorities Problem and the Revolutionary Theory of the Nation

OLIVIA CLATICI: While approaching from a broad perspective the social problems of their time, the process of man's progressive evolution, and the place and role of the proletariat and its struggle against the bourgeoisie, exploitation and oppression for social and national liberation, the authors of the theory of scientific socialism also considered the phenomena of the nation, its structure and the social processes going on within it, as well as

those of the nations' struggle for sovereignty, independence and self-determination and of promotion of relations based on equality and respect among all nations of the world. As brilliant analysts of economic and social-political phenomena as well as organizers and leaders of the revolutionary struggle of the proletariat, Marx and Engels did not approach the problem of the nation in itself, or in the light of any preconceived ideas or patterns, but analyzed its essential features under the particular historical conditions, differing from one period to another of course, and in close correlation with revolutionary social reform and with the general questions of the struggle to establish working-class power and to advance toward socialism and communism.

Its correlation of the questions of the nation with those of the revolutionary and progressive struggle as a whole is the chief characteristic of the Marxist-Leninist view of the nation and the minorities problem. Thus in the brilliant synthesis of the theory of scientific socialism that was the Manifesto of the Communist Party, Marx and Engels concluded that elimination of antagonisms among nations and peoples is directly related to and even dependent upon the revolutionary action of the proletariat and change of the social system. In the view of the authors of the revolutionary theory, dissensions and conflicts among nations, distrust, hostility and the policy of exploitation and oppression of other peoples are directly connected with domination of the bourgeoisie, who impose their relations of inequality and injustice upon international relations. Marx and Engels said, "When exploitation of one individual by another is abolished, exploitation of one nation by another will also be abolished. Once class antagonism within the nation disappears, enmity between nations will also disappear."

For the classics of the Marxist theory, the establishment of nations is a progressive process in the history of society which, on the social level, determines the formation of the class contradictions, as clear illustrations of the basic conflict between the proletariat and the bourgeoisie, and creates favorable internal conditions for the struggle for accelerated social development against the domination of capital. Inciting the example of 19th-century Germany, where the fragmentation of the state also fragmented the nation's forces, Engels said that the Marxists were supporting Germany's unification because the proletariat's interests required that "Germany be finally united in one nation, since that was the only way the battleground on which the proletariat and the bourgeoisie were to measure their powers could be cleared of all petty inherited obstacles." Consequently the political aspect of the nation's existence was not considered secondary but one of the main features of the nation's existence in itself, since the formation of the national state was absolutely essential to the effort to eliminate any kind of social or national exploitation and to the assertion of nations as a lasting, worldwide social phenomenon with an essential role in society's progressive evolution.

Since the development of capitalism involved "the nations' universal interdependence," Marx' and Engels' analysis of relations among nations made it possible to broadly outline their revolutionary view of the dialectical relationship between the economic and the political, since nations enter into relations with a certain economic potential and a certain role in the international division of labor," Marx and Engels wrote. "The relationships among the various nations depend upon how far each one of them has developed its production forces, division of labor, and internal relations." If these relations are to be based on full equality, each nation must be freed from the domination of its own bourgeoisie and its socioeconomic development must be based on new relations of ownership of the production means and new social and national relations.

Finding that as a rule state borders do not coincide with ethnic ones, that "There is no country in Europe...without different nationalities, and that as a rule those nationalities are incorporated in the existence of the peoples in the states where they live." Marx and Engels advocated solving the problems of their existence and rights in the general context of the revolutionary struggle in each country. In a certain specific situation at that time they rejected "the slogan of nationalities," pointing out that "That slogan tends to divide peoples, and it is used by tyrants to create prejudices and sow discord."

Marx and Engels treated the proletariat's stand on the minorities problem in close connection with the growth of the national liberation movement in the middle of the last century and with the outstanding part that the struggle for national unity and independence was to play in the democratic and socialist revolutions. They deeply sympathized with the struggles for national liberation that were shaking Europe at the time and denounced the reactionary governments' policy of national persecution and oppression and fomenting national disunity, stating unequivocally that "A nation cannot be free as long as it is oppressing other nations" and that "The people who enslave another people forge their own chains." In the same vein, Marx and Engels expressed their warm approval of the struggle for liberation of the peoples in the colonial countries, condemning the policy of oppression and domination of other nations while also bringing out the interdependence of internal and international policy and the impossibility of internal social liberation while the respective state is pursuing a foreign policy of oppressing other peoples.

While stressing the dialectical relationship between the national and the international, since nations must learn from each other, Marx and Engels also regarded the various nations' collaboration against domination and exploitation as one among partners with equal rights and independent and sovereign in their actions who were fighting national prejudices, chauvinism and the same enemy, namely big capital, so that "The simple laws of mortality and justice would become the supreme laws of international relations."

Toward the end of his life, upon synthesizing the conclusions he had reached after a long and painstaking study of the general trends of social and national development, Engels expressed a fundamental truth when he said, "Without restoring each nation's independence and unity, neither the international unification of the proletariat nor those nations' peaceful, rational collaboration to attain common goals could have been achieved."

V.I. Lenin in his turn brought out the necessarily objective character of establishment of nations as national states, which he considered capable of best meeting the requirements for the nation's development, pointing out in that connection that "The national state is the typical, normal state for the modern period." Lenin treated the problems of the struggle for the nation's free and independent development in close correlation with the national-colonial problem, as an urgent requirement of the period of capitalism's transition to the imperialist stage of development, predicting a massive uprising of the oppressed peoples to win their national independence, including force of arms. He said, "In the period of imperialism, national uprisings of the colonies and semi-colonies are not only probable but inevitable." History has borne that out. The colonial empire of imperialism collapsed after World War II under the blows of the subjugated peoples' movements for national liberation, even though that struggle took much more diversified forms under the new historical conditions than the war for national liberation.

In view of Russia's particular situation and the great ethnic diversity of its inhabitants and especially of the developmental stages of its ethnic-historical communities, in the effort to organize the working class and prepare it for the revolution Lenin specially emphasized the minorities problem the proletariat's attitude toward the national liberation movements, and the ways and means of solving the minorities problem effectively. In the truest Marxist tradition, he called for treatment of the minorities problem in the particular social-historical context that gives rise to it. He said, "The Communist Party must emphasize precise consideration of the particular historical situation and especially the economic situation in the minorities problem and not abstract and formal principles." In works like "Critical Notes on the Minorities Problem," "On the Nations' Right to Self-Determination," et al., which are clearly marked by the nature of the period when they were written, Lenin drafted the program of the workers revolutionary movement concerning the minorities problem in the period of the socialist revolutions, in the light of the contradictory trends that capitalism had lent it: On the one hand there was the awakening of the nations and their struggle for independence and for formation of national states, and on the other hand there was their tendency to unite on the basis of and in the interest of the international domination of capital.

Believing that "It is a misfortune to one people to subjugate another people" because it will impede their own struggle against the bourgeoisie, Lenin formulated

the proletariat's task of militating against any privileges and any instances of nationalism or chauvinism and for all nations' equal right to become national states.

The Leninist slogan about the nations' right to self-determination, considered absolute in the period of the Third International and still misapplied today by some political circles abroad, including some marxist ideologists, to situations with nothing in common with the assertion of that right, concerned the situation in the multinational states and called for a specific-historical approach and not a mechanical, abstract one. Lenin's works also contain some important qualifications to the effect that the problem of the national minorities takes forms other than that of the nations' self-determination. He said, "The form of national self-determination, which means the right to territorial integrity, has nothing whatever to do with the question of how national relations are to be regulated within a given state body as regards nationalities, who are unable or unwilling to leave the existing state." Accordingly political self-determination does not necessarily apply to the national minorities in a unified national state, a principle that is still quite timely and valid. What Lenin proclaimed and consistently maintained throughout his works is "opposition to national oppression and national privileges...to any privileges or any exclusivism..." The founder of the first socialist state in the world, the author and promoter of the policy of the full equality of rights of the peoples of old tsarist Russia (quite rightly called "the prison of the peoples"), kept stressing the fact that the socialist revolution alone can create the general environment favoring abolition of national oppression and also coordinate the nationalities for their economic, social and cultural development.

In his very clear evaluation of the international significance of experience in the Great October Socialist Revolution, Lenin warned against mechanical copying of that experience and militated for a flexible, creative approach to the problems of the revolution in each country. As he said, "As long as there are national and governmental differences among peoples, and there will be for a very long time to come, the unity of the communist labor movement's international tactics in all countries does not require elimination of diversity or suppression of national differences (which would be an absurd dream at the present time), but an application of the fundamental principles of communism...that will modify those principles appropriately....and adapt and apply them correctly to the national and national-governmental differences."

Inevitably influenced by the periods in which Marx, Engels and Lenin lived and by the situations which they analyzed and to which they referred, their theories about the nation are an inexhaustible source of lessons and systematized past experience and a sound methodological basis for analyzing the new phenomena and aspects presented by this problem fundamental to the existence and development of the peoples of our time. As Nicolae

Ceausescu has repeatedly said, the Marxist-Leninist classics thought for their time and for the practical requirements of the revolutionary labor movement in the respective periods. Efforts must be made today to think for our times and for the new social-historical conditions we are experiencing.

Development of the Nation and the National State

ALEXE ANDRIS: Being critically important by nature, the questions of the role of the nation and the sovereign and independent national state are still arousing keen interest in both the theory and practice of fulfilling every people's aspirations, developing international collaboration and understanding, and securing general progress.

The appearance of the nation and the national state and the national development of the peoples have been and are a necessary and lengthy stage in the history of society with a powerful effect upon all its essential aspects. As it says in the RCP Program, "The formation of the nations and national states has played a part of historic importance in man's general socioeconomic progress."

From the historical viewpoint, thanks to the new order's defense and promotion of the peoples' high social and national ideals, it was the mission of socialism to validate and greatly enhance the nation's progressive function and to make good its constructive inclination. The humanist principles and revolutionary practice of the socialist system place the nation and accordingly its national and international relations in the new light of free development and advancement of the creative potential of every people and nation.

As a natural outcome of the determined struggle of the broadest masses and the entire people, the formation of the unified Romanian national state about 70 years ago provided the political structure in which the Romanian nation could apply its creative power and make its own contribution to development of mankind's material and cultural treasury. It is the historic mission of the RCP, the leading political force in Romanian socialist society, to solve the basic socioeconomic, political and national problems of Romanian society in accordance with the requirements of social progress and the entire people's vital interest. This elevated the ideals of national unity, freedom and independence to a qualitatively new and higher level that strengthened the inherent invigorating unity of the Romanian nation and national state.

The radical revolutionary reforms in the years of socialist construction and the Romanian people's historic progress in building the new society, especially since the historic Ninth RCP Congress, changed Romania from an underdeveloped country, which would remain an "eminently agrarian country" according to some ideologists of the exploiting classes, to a developed industrial-agrarian country. Those reforms, which included all aspects of society in their scope, radically changed the very face of the nation as a historical community, greatly

enhancing its role and that of the national state in society, while also preserving Romania's character as a unified national state. As Nicolae Ceausescu says in his Report to the National RCP Conference, "The development of the nation and the formation of the unified national state was a long historical process, but now it has acquired new characteristics and new dimensions under socialism."

In their turn the nation and the sovereign national state are essential to socialist and communist construction. Maintenance and further consolidation of the constructive functions of the national structure are vital to construction of the new social system, without which the diversity of national methods of socioeconomic development, as well as each nation's own effort, would be inconceivable as major factors for progress and for transition from capitalism to socialism. The Romanian nation's development as a socialist nation, the continuing improvement of the functions of the Romanian socialist state as a unified and independent national state, and the RCP's political leadership ensure the rapid progress of all material and cultural fields and accomplishment of the strategic objectives in the RCP Program for Building the Fully Developed Socialist Society and for the Advance Toward Communism.

The evolution of today's world indicates that formation and development of nations and national states not only have not ceased but have acquired new dimensions and are "an objective necessity and a controlling factor for the peoples' rapid socioeconomic progress," as Nicolae Ceausescu says. In our period more than ever before the nation and the national state are central to the social existence of the peoples in all quarters of the globe and to their efforts toward progress and civilization, and they are making their constructive qualities and new and higher characteristics strikingly felt. In the profile of the present period, the nations and sovereign national states are necessary and comprehensive structures and vital factors for progressive changes, for the effort toward a better and more equitable organization of society, and for a better and more just world.

Furthermore all past experience and especially present experience bring the role of the nation and the national state in the development and progress of civilization into sharp relief. Despite assertions that the existence of the nation and national state obstructs progress as a whole, scientific analysis of current development shows that the nation's role in history is not finished. As it says in the RCP Program "On the contrary, experience proves that the nation and national state are to go on playing a vital part for a long time in society and in the struggle against the imperialist, colonial policy and for abolition of the old unequal relations and institution of international relations based on new and democratic principles of national and social justice, dignity and equality."

The inevitability of the advance of the nation and national state is brought out, among other things, by the fact that in our period the formation and development of

national states is vital to socioeconomic progress, to elimination of underdevelopment, and to success of the fight against imperialism, colonialism and neocolonialism. Moreover the future shift of more peoples to socialism will further illustrate the necessity of enhancing the roles of the nation and of national sovereignty and independence in securing social progress by providing the nation with a broader field of action, which capitalism has been unable to give it because the bourgeoisie have been trying to use the national background and feelings primarily in their narrow interests by oppressing the working masses and dividing them from the national standpoint.

Viewed in this light, the option for socialism on the part of each country's revolutionary forces as well as the actual construction of the new order require reliance upon their own forces seasoned in freedom as a *sine qua non* for achieving the intended purpose, as well as the international solidarity and collaboration promoted with respect for each country's sovereignty, independence and national dignity and to the exclusion of any interference in other states' internal affairs. The realistic approach based on consideration of those objective processes and phenomena demonstrates the inconsistency and error of the ideas of the theorists who claim that world conditions today involve or require, they allege, a "reduction" of the nation's role, who regard the national state and national sovereignty and independence as "outmoded" or "anachronistic" categories, who stress the primacy of the "global" above and to the detriment of the national and the priority of the external factor over the internal one, and who point to a so-called tendency to develop the role of international collaboration at the expense of national interests.

The attempts of some conservative, imperialist, nationalist, chauvinist and revisionist forces in various countries to assume the "right" to interfere in the internal affairs of other countries building the new social system on the pretext of "protecting" human rights and those of national minorities and of "solidarity" with them are equally groundless and harmful from the practical political standpoint because they seriously violate the states' inalienable attributes of national sovereignty and independence. In the light of the ideological principles of scientific socialism, the practical solution, sovereign in each country, of the essential problems of the new order's construction can help to enrich the revolutionary theory, especially in connection with the treatment of the roles of the nation and nationalities, since the minorities problem is an integral component of socialist construction.

In the world of today the formation of a large number of new and independent nations and national states is on the increase, alongside and in close interdependence with the multiplication of global problems and phenomena that all peoples are interested in solving, and the states are making greater efforts to promote and defend their national interests and to solve the problems of their

socioeconomic development independently and in their own way. Meanwhile this process is reflected in the sovereign states' growing national awareness, in their pronounced emergence in the international arena, and in their determination to decide their fate in complete freedom with no outside interference. The consolidation of the states' sovereignty in the exercise of their inalienable prerogatives, accompanied by resistance to the various forms of interference, domination and hegemony, to the imperialist policy of force and dictation, to redive of the world into spheres of influence and to colonial and neocolonial practices, and the effort to eliminate underdevelopment are all alike manifestations of the dynamism and vitality of the nation and the national state.

The world of today appears and is to be viewed as a world of nations and sovereign and independent national states at various levels and stages of development, each one of which has a powerful effect upon their evolution, and a world in which the peoples' will and desire to live in peace and freedom and to collaborate on the principles of equity and justice and the standards of international law figure more and more forcefully. This is because the objective structures of the present period, which is a turning point in history, necessarily further the nation and national state, which have far from "exhausted" their potentials for progress. Lenin's view that national differences and national states "...will endure for a very long time, even after the dictatorship of the proletariat is accomplished on a worldwide scale" is very timely in this respect.

The worldwide changes made by the appearance and development of the new social system in a number of countries, the confirmation of socialism as the only way to build a world free of exploitation and oppression, the overthrow of the colonial system of imperialism, the formation of a great many new independent and sovereign states, the greater interdependences in mankind's present development, etc. emphatically demonstrate the essential role of the nation and of respect for national sovereignty and independence as an objective necessity for the development of today's world, involving every state's right to sovereign self-determination and to participation in international affairs with full equality of rights.

Under these circumstances the policies and programs approved by the 13th RCP Congress and the National Party Conference for Romania's socioeconomic development in the current five-year plan and thereafter will bring Romania up to new heights of civilization, illustrating the invigorating, constructive power of the nation and national state as main factors for socialist Romania's progress.

The Romanian Socialist Nation in a Higher Stage

ELENA FLOREA: The role of the nation in general and that of the nation in socialist society are vital problems of the present period. As man's past experience proves,

the appearance of the nation as a form of community and the peoples' national development form an objective social process and a necessary stage in all peoples' evolution. In the view of scientific socialism, based on study and interpretation of the social processes and laws in the light of historical and dialectical materialism, the formation of the nation in a period of intensive social development along with the rise of capitalism was a historically progressive phenomenon that lent in its turn a powerful impetus to the effort to fulfill the peoples' aspirations to progress and civilization.

The Romanian nation was formed in the general context of Europe's modern historical development, in the course of the fall of the feudal system and the rise of capitalist production relations at the close of the 18th and the start of the 19th century. Because of involved and difficult circumstances that imposed enormous sacrifices upon the Romanian people in their ceaseless struggle to assert their existence and to defend their legitimate right to a free existence, unity and independence, the development of the nation and the formation of the unified Romanian national state were a long historical process. In one period or another foreign domination and the existence of oppressive empires near Romania retarded the people's socioeconomic development, but they could not stop fulfillment of their will and aspirations to overcome any difficulties in the path of their formation as a nation and an independent national state.

Socialism inaugurated the era of Romania's rise to a higher level of development. The structural changes that have been taking place in the course of socialist construction and revolution in Romania's economy, politics and culture are lending the nation a new content and permitting full assertion of the people's national dignity and strength, the development and prosperity of the nation, and consolidation and enhancement of its solidarity and unity and those of the whole society. Romania's rise to a higher level and its conversion to a socialist nation, incomparably stronger and more homogeneous than the bourgeois nation, are the quintessence of all the revolutionary reforms in the Romanian people's experience in the years of socialist construction. The reforming process of socialist construction has accordingly included not only the political, social and economic aspects of the social system but also the nation's fundamental objective and subjective characteristics, lending it new elements and dimensions.

The magnificent reforms accomplished in the years of socialist revolution and construction open the way to the nation's all-around development and make it possible to bring the entire people up to purposeful historical creativeness.

Establishing socialist ownership of the production means and creating a new class structure of society and a new kind of social relations on that basis are among the most

radical and significant changes, and they have profoundly favorable effects upon Romania's evolution under the new order. Elimination of the exploiting classes and any forms of social or national oppression, conversion of the working class to owners of the production means and the leading class of society, and consolidation of its alliance with the peasantry (another new class, since agricultural cooperativization and large-scale socialist ownership), with the intelligentsia coming from the ranks of the workers, and with other worker categories are the main thrusts of the revolutionary reforms in the social structure and in the situation and relations among the main social classes and categories. The evolution of the social structure along those lines has enabled the Romanian nation and entire people to work in close unity for national progress and prosperity and for socialist and communist construction on Romanian soil.

A huge qualitative leap in development of the production forces and the national economy increased Romania's wealth and economic power. Romania's conversion in a brief historical period from a largely agrarian country with an underdeveloped industry and a backward agriculture to an industrial-agrarian country with a modern industry based on the latest scientific and technological advances and a fully developing socialist agriculture reflects the great changes made in Romanian and in its socioeconomic situation.

The historic turning point in the nation's economic situation and material condition also permitted critically important results in development of education, science and culture, in promotion of an ever higher level of awareness and knowledge, and information of a new moral-intellectual mentality of the Romanian people. Elimination of illiteracy and improvement of the masses' occupational training, formation of a modern, continually improved educational system, development of the national culture as an advanced, revolutionary socialist culture, the continuing effort to develop scientific research, to encourage scientific and technical invention and to raise it to the level of the most exacting requirements of the current scientific-technical revolution, formation of a comprehensive and operational system of cultural-artistic institutions and establishments, and provision for a rich and intensive publishing activity, a strong amateur artists' movement, etc. are all ways and means whereby the Romanian nation and people are making better use of their creative aptitudes in all fields, forming their advanced moral-political traits, broadening their horizons of culture and knowledge, and expressing their creative genius without restriction.

The 13th Party Congress, which inaugurated a new and qualitatively higher stage in socialist Romania's evolution by its historic decisions, was a turning point on this upward path. Under the leadership of the party and its secretary general, Romania experienced extensive innovations unprecedented in its history in those 23 years or

so, and they opened an era of radical changes in the very face and structure of the nation as a historical form of community and in the performance of its active role in social development.

Throughout this period the policy of national development was subordinated to improvement of the workers' living standard and to supply of the means needed to improve the masses' quality of life and cultural level, while equal opportunities were created for all workers of all nationalities and the entire people to enjoy the fruits of socialist civilization.

Association of the characteristics of the socialist state, in which the power belongs to the working class in alliance with the peasantry, intelligentsia and other categories of workers, with the attributes of the unified Romanian national state, constant improvement of its role in society, concentration of all activity upon the principles of scientific, uniform and collective social management, and the extensive process of enhancing socialist democracy in all fields and implementing workers self-management all together make up the broad, democratic and unique structure that can guarantee the nation and the people themselves the real opportunity to govern themselves, to make and carry out their domestic and foreign policies in full political freedom, and to decide in sovereign fashion upon the main directions that their present and future development is to take.

By defining the main features of the revolutionary process of socialist construction, Nicolae Ceausescu's works make an important and original contribution to the creative development of the revolutionary theory of the nation's role and functions in society and of its evolution toward communism.

The RCP and its secretary general believe that evaluation of the nation's prospects and determination of its growing role in socialist society directly depend upon the development and maturing of some new and higher features that characterize Romania as a socialist nation. These new features, heavily emphasized in social-political practice and fully summarized in the RCP Program and other program documents, include development of party leadership; making the RCP the vital center of the nation and all society; promotion of the socialist state as the representative of the vital interests of the nation and the entire people; increasingly pronounced social homogenizing; basing all intellectual activity upon a single ideology, namely the revolutionary ideology of scientific socialism; consolidation of the unity and solidarity of the nation and the entire people as the unity of all workers of all nationalities around the RCP; development of workers self-management, and increasingly intensive promotion of the people's real capacity and opportunity for free and sovereign determination of their present and future.

In summing up the content and profound significance of the effects of these new features Romania has acquired in the revolutionary process, the Ideological Program

says that in Romanian socialist society the nation "has acquired new dimensions and characteristics. The very elimination of division of society into antagonistic classes, into oppressor and oppressed classes, the formation of a socialist society based on friendly classes inspired by the same goals and interests, and the uniform development of the production forces, science, education, culture and a new outlook on the world and life have radically changed the character and role of the nation."

Throughout the stage of building the fully developed socialist society and of the advance toward communism the new features will continue to mature and others will still appear, a process that can help to enhance and strengthen the nation's active role in securing society's progress and demonstrating its vitality for a long historical period. As Nicolae Ceausescu says, there is "every reason to suppose that in communist society too, the nation will acquire new qualities and characteristics and will continue to be an important factor for international collaboration and peace."

The Romanian socialist nation's new characteristics are serving as important factors for enhancing its role in society, thus securing and reinforcing its power to accomplish its chief aim, namely socialist construction followed by communist construction, through a purposeful, regular, responsible and freely accepted commitment to the constructive undertaking of implementing the particular aims and tasks of each stage of the revolutionary process. Meanwhile those characteristics enable society as a whole to take resolute and purposeful action to eliminate the defects and difficulties to be overcome in this constructive process as well as the contradictions arising in the various sectors of society by enabling society to act promptly and effectively and to participate fully in harmonious social development. It may also be said that the nation's new characteristics make up together the series of conditions that not only make the nations' active role in society both independent of chance factors and incidental aspects and determined by the main strategic objectives of party and state policy, but also enhance the nation's ability to intervene actively and profoundly in social activity in accordance with the laws of socialist revolution and construction.

Socialist Romania's new characteristics make it the historical type of community suited and essential to the new order, one of its powerful motive forces. In view of this very fact the RCP and its secretary general consider it an objective requirement of vital importance to the struggle for socialism and international peace and collaboration to militate for the nation's progress and its full development as a socialist nation, for the maturity of the qualities that characterize it, and for its free and independent development.

The National Minorities Under the Socialist System

IOSIF BODA: The presence of minorities and the minorities problem in various states is the outcome of a long historical process that is equally complicated and

variegated. Once considered peculiar to the Eastern European countries, today ethnic relations and the problems they present are both theoretical and practical concerns of nearly all European countries and of the world in general. Most often the appearance of these problems is closely associated with the formation and development of the nations and national states in various periods and historical circumstances.

Accordingly the existence in Romania of populations of ethnic origins other than that of the vast majority of the national population (Hungarians, Germans, Serbs or other nationalities) is an objective results of the proximity and coexistence of the peoples in this part of Europe.

The fundamental theoretical premises for formulating a correct minorities policy on the principles of scientific socialism consist partly of consideration of the fact that Romania is a unified national state and partly of recognition of the objective existence of the minorities and their past, present and future. The RCP has been proceeding in this matter from a realistic, dialectical approach to the common and distinctive aspects of the embattled past and the material and cultural-intellectual lives of the Romanian people and the national minorities. "Whether historians like it or not, that is an objective historical fact that no one can change. There can be no question of judging peoples by the dates on which certain territories were determined or of discriminating among their reciprocal rights on that basis. It is a question of consistently applying a policy of full equality and mutual respect among peoples, nations and nationalities according to the historical facts that cannot be modified by anyone and of respect for each one's national entity, while securing harmonious cooperation, brotherhood and solidarity in the common cause of social and national freedom and justice, every people's prosperity and progress, and all nations' peaceful coexistence and collaboration."

Nicolae Ceausescu says that the Romanian people and the populations of other ethnic origins have naturally developed a close collaboration at work and in the struggle with the vicissitudes of nature and the cruelties of history to gain a status of both social and national freedom and a better, more just and more worthy society. All this substantiates the RCP's view that the values of the material and cultural civilization created in these regions are the result of the united efforts and the common labor and struggles of Romanians, Hungarians, Germans, Serbs and other nationalities. In their common labor, in the class struggles, in the fight for national liberation and in the vast effort to build a new civilization, the dwellers on this ancient Romanian soil have learned to know, respect, help and value each other.

To be sure we would be disregarding the complicated specific-historical facts if we presented this past as a triumphal march punctuated solely by idyllic moments and if we evaded the policy of national, nationalist and chauvinist incitement practiced in the course of history

both by the exploiting classes, Hungarian, Romanian or German, and by the great neighboring empires in order to divide the peoples and workers of all nationalities and to aggravate their oppression. Socialism marked a turning point in this respect too. The Romanian socialist system is based upon acceptance and improvement of the best products of the past and the traditions of cooperation, unity and brotherhood among the sons of the entire people regardless of nationality. The RCP regards the instances of national intolerance and exclusivism and the racist, nationalist and chauvinist practices as excrescences of ultrareactionary and antihumanist political ideologies and practices. They are not the common heritage of the Romanian people and the national minorities, but united action, friendship and brotherhood are, which have been and are the sound guarantee, under socialism especially, of the construction of a just and worthy society and a free and prosperous existence for all Romanian citizens.

In the years of socialist revolution and construction and especially in the period following the Ninth RCP Congress, this perception and integration of the past in the set of values common to the whole Romanian people as well as this general political viewpoint have inspired the RCP's national Marxist-Leninist policy and its positions and measures concerning the place and role of the national minorities in the whole structure of present Romanian socialist society.

The originality of the RCP's theoretical approaches and practical solutions promoted in the Romanian minorities policy is of major importance particularly for further improvement of minority relations, which are an intrinsic component of the overall social relations peculiar to Romanian society. It also has much more far-reaching implications and a much more general import and significance when we consider the fact that what is commonly called the minorities problem and the concerns about it often have implications for international relations.

By virtue of all the revolutionary economic, social-political and cultural-intellectual reforms that it institutes, socialism is unquestionably proving to be the only system that makes it possible to achieve a full equality of rights for all citizens and communities and a radical and truly democratic solution to the minorities problem, thus demonstrating its historical superiority in that respect as well. But those potentials are not realized automatically, requiring, as Romanian experience demonstrates, a scientific and consistently applied revolutionary policy allowing for the distinctive features and requirements of every stage of socialist construction and revolution.

In this view, solution of the minorities problem and consistent application of the principle of all workers' full equality of rights regardless of nationality and according to Romania's particular social and national situation are both component parts and results of the revolutionary reforms made in Romanian society in the years of

socialism. The RCP regards the minorities problems and their correct, fair and lasting solution as problems of general and sole concern to Romanian socialist society, as problems of Romania's great socialist family. Nicolae Ceausescu says, "The minorities problem and the policy on minorities can be correctly interpreted and resolved only as part of Romania's general policy and the united revolutionary effort to build socialism and communism." It is accordingly appropriate for the task of determining, studying and solving these problems to be the sole province of the RCP and the Romanian state, since the formulation and implementation of the policy on minority relations, as on all other fields of socialist construction, are inalienable attributes of the party and state administrations and of the socialist democratic bodies, as well as results of the common effort of all workers of all nationalities and of the entire Romanian people.

The results of the minorities policy are evident, tangible and measurable. The complete equality of rights of all Romanian citizens of various nationalities and the freedoms enjoyed by all the Romanian people are reflected and specifically manifested in economic equality, equality before the law, equal political rights and freedoms access to education, science and the cultural values (especially in the mother tongues), and the guarantees of the opportunity to cultivate particular customs, of freedom of belief, and of development of the characteristics than lend each national minority a certain identity as well as those that unite them with the Romanian people in work, in ideals and in all ways, forming a single and unified community of citizens of the same fatherland, the Socialist Republic of Romania. From this viewpoint it may also be said quite rightly that socialist Romania guarantees all workers a real and effective equality with no discrimination. In the Romania of today there are no nationalities with greater or lesser rights from the legal, political, economic, social or cultural-intellectual standpoints, and all citizens and nationalities, enjoy a complete equality of rights and obligations without any discrimination.

In analyzing the regular developmental trends of present-day society in general and of Romanian society in particular, the RCP and its secretary general the special role of the nation as a motive force for progress and civilization and its role as the optimal structure for social development both in the period of socialist construction and in communist society. Moreover those trends show that in the long future existence of the socialist nation, the national minorities will continue to advance and develop for a long time and will preserve some characteristics of their own in the context of coexistence and unity with the Romanian people. That is one of the reasons why the RCP program says that "The efforts to secure the national minorities' complete equality of rights, to solve their particular problems, and to cement the unity and brotherhood of the workers of all nationalities are retaining their full importance in the period of construction of the fully developed socialist society and the gradual transition to communism."

Just as their past history is in great part a common one, as the nationalities in Romania emerged as nationalities on this land along with the formation of the Romanian nation and the unified Romanian national state, and as their actual equality on all social levels (It may be said with pride that this is an accomplished fact, that the minorities problem has been entirely solved in Romania, and that the national minorities in few countries in the world have a status of freedom, equality and democracy as they do in Romania) has been accomplished in the general context of construction of the new order on Romanian soil and the general development of Romania and its people, so also are the questions of the nationalities' present and future inseparable from the general ones of Romanian socialist society as a whole and of the Romanian socialist Nation's future.

Since the Ninth RCP Congress especially, the RCP has developed a profoundly realistic and dialectical conception of the entirety of socialist evolution, especially as regards the guarantee of human rights and freedoms, and idylism and abstraction are foreign to it. As we know, the human rights and freedoms are conditional upon many involved considerations, and meeting the objective requirements that socialism sets in this field depends upon the actual possibilities provided on the material and cultural levels by the various stages and levels reached in the new order's development. Romania's experience shows by virtue of the facts that as the socialist system is consolidated and improved and as more and more progress is made in socioeconomic development and in creating a new quality of life and work, the scope of the civil freedoms and basic human rights is broadened, their guarantee on the material and political-legal levels is strengthened, the personality is developed more and more intensively, and the entire people's cultural-intellectual life progresses further.

All of these are problems of all workers, of the Romanian socialist nation, and of the whole revolutionary process in Romania. They are internal problems of Romania's that are discussed and resolved by the Romanian party and state, by the democratic bodies, and by the entire people.

The ethnic origin of some national minorities in Romania in common with those of other peoples represented by their own national states of course does not give the latter the right to pose as "representatives" and "defenders" of the interests of the minorities in Romania, as some theorists and politicians have tried to present the matter. These instances, which can be described only as interference in other countries' internal affairs, conflict both with the principles of international law and with friendly good-neighbor relations among peoples, and they harm the cause of socialism and peace.

The Romanian state resolves are problems that concern the lives and work of its citizens of all nationalities in accordance with its general policy of building the new

order and socioeconomic development, since that is an inalienable attribute of its sovereignty and a task within its sole jurisdiction as an inseparable part of construction of the fully developed socialist society and the advance toward communism. By consistent practice of this policy the Romanian party and state further strengthen the social, political and moral brotherhood and unity of all citizens with no discrimination, consolidate the entire people's solidarity, and assert their right to full self-determination and to solve all problems of their present and future in sovereign fashion.

Solution of the Minorities Problem in Romania

NICOLAE IONEL: As a representative of the vital interests of the working class, the masses and the entire nation, the RCP adopted and applied the treasury of ideas and experience of the workers and socialist movement in Romania and inscribed on its banner the magnificent ideals of socialism and communism and the supreme goals of defending the nation's existence, the territorial integrity of the unified Romanian national state, and national sovereignty and independence. Militating consistently for the workers' liberation from oppression and exploitation and for construction of a new and better society, the RCP rose with the greatest determination against the national injustices and worked steadily for all workers' complete equality of rights regardless of nationality.

The solution of the minorities problem in Romania was devised by the party as a component part of the revolutionary process as a whole, and it is really the result of the radical innovations made in Romania in the years of socialism. As Nicolae Ceausescu says, "The minorities problem is only a part of the proletarian revolution, socialist and communist construction, and creation of a new existence in which every person and every citizen can fully enjoy the advances of civilization and can take an active part in the purposeful construction of his own future."

In treating and solving the minorities problem, as in setting its general political policy as well, the party has taken account of the actual Romanian conditions, the developmental stage of Romanian society, and the opportunities it provides for raising the people's material and cultural living standard according to the conditions in each stage of socialist construction. For the RCP, socioeconomic development has been and is the real basis of all Romanian citizens' equality of rights in all material and cultural fields. Elimination of the backward state inherited from the old social system, pursuit of a consistent policy of rapid development of the production forces and formation of the technical-material bases of socialism and rational, harmonious allocation of socioeconomic capacities throughout the country were the first objective necessities for that purpose. Nicolae Ceausescu said, "It is only in the context of the community, of general development of the nation, and of enhancement of its civilization that better conditions can be secured

for the presence of the minorities. Any other approach to the problems can only sow misunderstanding and confusion and obstruct the united efforts toward sustained implementation of the program for Romania's all-around development."

The RCP does not consider it sufficient to proclaim the principles of full equality of rights. It is also necessary to provide the material conditions for their implementation, namely development of industry, agriculture and the other sectors of the national economy, harmonious regional development of the production forces, and the prosperity of all counties and localities in the country. A decisive part was played in this by the guidelines set by the historic Ninth RCP Congress, the regular, persevering effort of Nicolae Ceausescu, the leader of the Romanian party and state, on behalf of general national progress, and the connection of all areas of Romania with the flow of modern civilization by building new production capacities and developing the existing ones. We have accordingly been working for rational allocation of the production forces throughout the country, balanced development of all areas of Romania, correlation of the counties in regard to their gross outputs per capita and best use of their labor resources, planning and modernization of the network of urban and rural localities, and a higher level of civilization in all regions counties and localities in Romania.

Since the victory of the Antifascist and Anti-Imperialist Revolution for Social and National Liberation Romania has accomplished an intensive growth of its production forces and an unprecedented development of science, education and culture, making Romania an industrial-agrarian country with a modern industry and a socialist agriculture in full progress. Today the industrial output is over 120 times greater than it was in 1945, and the agricultural output is about 9 times greater. Thanks to a correct policy of setting and maintaining a high rate of accumulation, the national wealth has increased by about 20 times, now amounting to about 5 billion lei, while the volume of fixed assets amounts to about 3.2 billion lei. This has increased the national income by more than 34 times and accordingly increased workers' wages by about 13 times.

These results are truly historic for Romania, which took the course of socialism at a low developmental level. Meanwhile rational distribution of the production forces throughout the country (an urgent necessity for better use of all the nation's material and manpower resources) has provided for a full development of the masses' creative initiative and equal living and working conditions for all Romania's sons regardless of nationality. The regional-administrative reorganization instituted 20 years ago created the appropriate structure for consistent application of this program policy. It concentrated major resources in the underdeveloped counties and areas, accelerating their development above the national average rate. While this year's industrial output is over 5

times greater than in 1968, a number of counties, including those with workers belonging to national minorities, show a much greater growth, namely by more than 18 times in Salaj County, over 15 times in Bistrita-Nasaud, over 11 times in Olt and Vaslui, over 9 times in Vilcea, Calarasi and Tulcea, over 8 times in Arges, Botosani, Iasi and Covasna, and about 7 times in Satu Mare and Harghita. Now all counties are showing a volume of activity amounting to more than 20 billion lei. The total annual volume of economic activity per capita set by the 13th RCP Congress at no less than 80,000 lei is already being reached in 1988, 2 years ahead of the planned time limit.

Agriculture, the second basic sector of the national economy, has also been developed intensively, alongside the growing development and modernization of industry. The new agrarian revolution is bringing about wide-scale introduction of modern technologies and a change in the agricultural producers' way of thinking and acting, while broadening the horizons of this field and gradually converting it to a variety of industrial work. Meanwhile the localities of the country have made great progress through development and modernization of existing urban settlements, rural urbanization, allocation of industrial capacities in rural localities, commune and village planning, and development of the trade and services network, of municipal facilities, and of housing construction. As a corollary of intensive development of the production forces, about 6 million new jobs have been created in the years of socialism including 3.36 million in 1965-1985. All of this has been making real equality of rights possible for all workers of all nationalities, as well as their exercise of their basic rights, including the rights to work and to equal pay according to the work performed and its results. The guarantee of these economic and social rights, which are critical in the series of human rights, is one of socialism's historic achievements in Romania and a vital aspect of solution of the minorities problem.

The achievement of full equality is also graphically illustrated by the development of education in Hungarian, German and other minority languages as part of the general development and modernization of education in Romania, and the necessary material base for it is being provided so that all Romania's sons, without any discrimination, will enjoy alike the same rights to education, the scientific, artistic and cultural output, and full development of the personality.

As we know, educational units, sections, classes and groups of pupils have been formed in the regional-administrative units where minority populations live, for instruction in their mother tongues. By providing education in their own languages, the state also makes it easier for youths of other nationalities to learn Romanian, which is essential if they are to benefit by the real and equal opportunities if they are to perform jobs or

occupations suited to their abilities and training in any socioeconomic unit or scientific or cultural institution in any area or locality of the country.

A specific confirmation of all Romanian citizens' full equality of rights is also to be seen in the intensive cultural activity of Romanians of other nationalities alongside Romanians. For example, books, newspapers, magazines etc. are published in mass printings in Romania in Hungarian, German, Serbian, Ukrainian and other languages as well. Benefiting by extensive and substantial support from the Romanian government, 52 publications in minority languages appeared during 1987 in an annual printing of 99,162,000 copies, including 14 general information newspapers and 38 magazines and other periodicals.

The progress of culture in minority languages in Romania is also cogently reflected in the development of publishing activity. For example, *Kriterion*, the minorities' first publishing house, began to operate in Bucharest in 1969. In addition to that other publishing houses are also printing books, textbooks, manuals, collections of texts and literary anthologies in minority languages. By good use of these publishing resources 376 titles in minority languages were published during 1986 in more than 2.5 million copies.

A wide network of cultural-artistic institutions and cultural establishments was founded and is still being developed that is operating in Hungarian, German and other languages. For instance, there are 14 theaters and theater sections operating in minority languages in Romania, including 10 in Hungarian, three in German and one in Yiddish. Many amateur artistic units of workers of various nationalities participate alongside Romanians in the National Cîntarea României Festival, making unrestricted use of their creative talents in all fields there and effectively developing a new, socialist culture and a revolutionary art reflecting the entire Romanian people's common aspirations and experiences.

On the permanent basis of all workers' social and economic equality regardless of nationality, extensive opportunities have been created for implementing their constitutional political rights and freedoms and for their participation along with the entire people in the exercise of state power and in all social management. The minorities participate actively in all socioeconomic activity through the system of workers revolutionary democracy created in Romania in the last two decades and through their own democratic bodies and structures as well. Accordingly the workers belonging to the national minorities are represented, in proportion to their numbers in the populations of the localities, counties and the whole country, in all the party, state and public-social organs and in the workers self-management bodies, from the local up to the central level.

The RCP, the leading political force of all society, reflects in its structure the social and ethnic population of the country. A great many activists and administrative personnel coming from the ranks of the minorities are on the RCP Central Committee, the Political Executive Committee, the Central Inspection Commission and the party Central Collegium. In the localities and socioeconomic units where Romanian citizens of other nationalities live and work communists from the ranks of the respective nationalities are also elected to the offices of secretaries or members of the bureaus of the county, municipal, city and communal party committees and to the managements of the party organizations in enterprises and institutions.

The ethnic composition of the organs of state power, the Grand National Assembly and the people's councils, demonstrates the minorities' real participation alongside Romanians in making decisions, in formulating and implementing the party's and state's whole domestic and foreign policy, and in social management. For instance, out of the 369 deputies to the Grand National Assembly, 37 are Romanian citizens from the ranks of the minorities (29 Hungarians, six Germans and two of other nationalities). Out of the total 62,253 deputies to the country, municipal, city and communal people's councils, 90 percent are Romanians, 6.9 percent are Romanians of Hungarian nationality, and the rest are Romanians of German and other nationalities. In the counties with larger Hungarian populations, the percentages of deputies to the people's councils is proportionally higher as, for example, 84 percent in Harghita County, about 80 percent in Covasna, 47 percent in Satu Mare, about 45 percent in Mures, 40 percent in Bihor, 27 percent in Cluj and 24 percent in Salaj.

The minorities' participation in all of the nations' socioeconomic activity is also directly reflected in their active presence in the economic democratic bodies and in those of workers self-management on the levels of both the primary units and the central ones and in the national democratic forums, where they contribute to discussion of problems of economic and social development and to determination of the best ways to solve them.

The founding of the minorities' councils in the years following the Ninth RCP Congress as their own participative bodies graphically reflect the efforts of the RCP and its secretary general to provide the organizational structure needed for direct involvement of the minorities in Romania's political activity. The councils take steps to mobilize workers of different nationalities both for Romania's socioeconomic and cultural development and social management and for solution of the respective nationalities' problems. Moreover citizens of different nationalities belong to all the component organs and organizations of the Socialist Democracy and Unity Front, the nation's largest democratic representative body, which also includes the councils of workers belonging to national minorities.

Accordingly the socialist democratic system as well as the whole policy of national socioeconomic development provide for all workers' full equality in the political, economic, social and cultural fields and unity and brotherhood between the Romania people and the national minorities.

All of this emphatically demonstrates the fact that in Romania the minorities problem has received a correct, Marxist-Leninist, democratic, complete and definitive solution and that social and national exploitation and oppression have been abolished forever because all workers of all nationalities are guaranteed the same rights, belong to the same great family, and share in making and implementing all major political, economic and social decisions concerning their united work and existence and the fate of their common fatherland. Disregard or falsification of those facts, distortion of the Romanian party and state policy on the minorities problem by certain reactionary, nationalist and revisionist circles abroad, and their absurd claim that solution of the minorities problem or defense of human rights in Romania is the business of elements outside the country instead of an inalienable and exclusive attribute of national sovereignty unquestionably reflect a flagrant interference in Romania's internal affairs and are foreign to the principles of collaboration, good-neighbor relations, and respect for sovereignty and independence that should consistently govern relations among all states, and they are to be firmly opposed for that reason. As Nicolae Ceausescu says, "We can take pride in the way we have solved the minorities problem, enabling workers of different nationalities and the entire people to share in socialist society's development. We would like the national minorities in all countries to enjoy at least the same rights and freedoms as those existing in Romania."

The Entire People's Socialist Unity

GHEORGHE ILIE: The people's unshakable unity around the party and the increasingly close solidarity and cooperation of all workers of all nationalities play a vital part in the series of factors for Romania's further all-around development on the course of socialism and communism. Nicolae Ceausescu said, "All that we have accomplished is the outcome of the dedicated efforts of the working class, the peasantry and the entire people, who have been constantly implementing the domestic and foreign policies of socialist construction, collaboration and peace in complete unity under the RCP's leadership!"

Constant consolidation and full development of the unity of thought, will and action of the people, of all social classes and categories, and of the workers of all nationalities have been and are among the first priorities in the theoretical and practical activity of the RCP and its secretary general. To that end a number of economic, political, organizational and educational measures have been taken in Romania since the Ninth RCP Congress to bring about and promote widespread collaboration and

cooperation among all the nation's social forces and all its citizens and to further enhance their unity of will and action and their full commitment to the effort to carry out the magnificent objectives in the RCP Program for construction of the Fully Developed Socialist Society and for Romania's Advance Toward Communism.

We are indebted to the party secretary general and president of the republic for his formulation and promotion of a profoundly scientific, realistic and comprehensive view of the people's unity around and under the leadership of the RCP and of the objective and subjective factors on which its implementation is based and which also enhance its capacity to mobilize and apply the nation's creative energies and potentials, making it a true driving force of Romanian society on to new heights of progress and civilization. This view graphically illustrates the elements of continuity and permanence in the Romanian people's history and the distinctive ethnic-social characteristics that were formed and consolidated throughout a whole comprehensive process, by clearly revealing the underlying sources of the people's unity of nationality and thought and the historical and social-political causes of their national and state unity and their coexistence and solidarity in their common labor and struggles.

Unity has been a distinctive feature of the Romanian people's development, originating in their struggles for an independent existence, political independence and social freedom. The ideals of unity, solidarity, freedom and independence have always characterized the Romanian people's self-awareness, constantly guiding their fight for social and national liberation. The Romanian people's advanced traditions of unity, brotherhood and social, national and human solidarity were adopted and developed under the new historical conditions by the working class and the RCP, its revolutionary party.

In the course of construction of the new, socialist society, a new unity of the people, with a higher content and characteristics, is being formed and developed more and more intensively under the impact of the radical quantitative and qualitative changes taking place in the economic, social, political and cultural structures of society and in national relations as well. It is a social-political and moral unity, a unity of thought and action, that is being formed and developed on a uniform socialist economic, political and ideological basis, a unity that is constantly reflected in the new structures of social organization and management. The economic basis of the unity and solidarity of all social classes and categories and all workers regardless of nationality in the new order is socialist ownership of the production means and its further consolidation and development as the entire people's ownership. All the other social, political, moral, ideological or national relationships existing in Romanian society are formed and conducted on the basis of the new production relations, and the identity of all workers vital interests is on the same basis, as well as the

concentration of their efforts on accomplishing the common aims and goals of national economic and social progress, improvement of the material and cultural welfare of all members of society, and full development and assertion of the personality. Socialist ownership alone produces social equality for all citizens and workers and makes all members of society owners, producers and beneficiaries of the results of their labor. Consolidation and improvement of socialist ownership with development, modernization and rational distribution of the production forces regionally and in all sectors of the national economy are the objective basis of all Romanian citizens' equality of rights regardless of nationality, stimulating all workers collectives' interest and competition in increasing the national wealth and the fund of material and cultural values and accordingly the fulfillment of their legitimate aspirations to progress and prosperity.

The entire people's unity around the party and its increasingly intensive promotion are also based on new and higher political and ideological premises. It was instituted and is being developed under the leadership of the working class and its revolutionary party. Exercise of working class leadership in all activities is accordingly the basic social relationship of Romanian society, while party leadership is the primary political one.

The correct, Marxist-Leninist solution of the minorities problem in Romanian, elimination of conflicts in national relations, and formation of all Romanian citizens' unity and brotherhood regardless of nationality on the basis of their full equality of rights are other major factors of consolidation of the people's socialist unity. By promoting a correct minorities policy, by providing the necessary material, organizational and legal conditions for complete equality of rights, and by making a sustained political-educational effort, the RCP is further strengthening the people's solidarity and developing the unity of will and action of the whole Romanian nation more and more effectively. Of course any attempt to weaken the people's social and national unity is foreign to socialism and in flagrant conflict with the workers' vital interests and must accordingly be very firmly opposed.

A primary role in consolidating the unity and solidarity of all Romanian workers of all nationalities around the party and in further development of close cooperation and mutual aid is played by the system of workers revolutionary democracy, based on self-management, consistent promotion of the principles of economic-financial self-administration, application of the criteria of profitability and effectiveness to all sectors of the national economy, and all citizens' extensive, direct and active participation in the solution of social and public problems and in social management. As Nicolae Ceausescu said at the Expanded Plenum of the National Workers Council in February 1988, "Development and improvement of socialist democracy are primary requirements for successful mobilization of the entire

nation's forces, essential factors for promoting the people's social-political unity, and powerful dynamic forces for Romanian society's progress in building the fully developed socialist society and preparing for the transition to communism." The Socialist Unity and Democracy Front, a political body with the broadest representation, combining all social classes and categories and all their political and professional organizations, has an outstanding part to play in this regard. Its mission is to concentrate the creative powers and energies of the masses of workers in a single direction by fully involving them in reaching the great goals set by the 13th RCP Congress and the National Party Conference, through an extensive and productive activity among the masses of citizens under the leadership of the party organs and organizations.

The ideological and political-educational work done by the party and by the state institutions and mass and public organizations under its direct supervision is an effective factor for permanently strengthening and consolidating the unity and solidarity of all of Romania's sons of all nationalities. On the basis of the aims and guidelines in the Ideological Program, the party organs and organizations and the state educational and cultural institutions are deeply committed to the educational effort to enhance the awareness of all categories of workers as well as their professional, technical and scientific training, and to foster socialist patriotism and international solidarity.

The facts of Romanian socialist society show the invincible power of the entire people's unity and solidarity around the party, which has been and is the guarantee of the nation's marvelous achievements and all-around progress. As Nicolae Ceausescu says, "Experience proves that the unity of the entire people and of all workers of all nationalities under the RCP's leadership is still the controlling factor in the new stage that we are in for implementing the magnificent Program for Building the Fully Developed Socialist Society and for Romania's Advance Toward Communism, as well as the source of all the victories we are winning in bringing the nation up to new peaks of progress and civilization and in defending national freedom and independence."

The Power of Revolutionary Socialist Patriotism

CONSTANTIN RADUCU: All workers' patriotic, revolutionary and internationalist indoctrination has an important place in the political-ideological and cultural-educational work being done on all levels to form and develop socialist awareness under the leadership of the party organs and organizations. Nicolae Ceausescu says, "Let us develop revolutionary socialist patriotism and love of country party and people intensively among the people and youth of Romania. Let us indoctrinate the entire Romanian people in the spirit of brotherhood, solidarity and united work for socialism and communism."

Formed on a new socioeconomic and political-ideological basis, socialist patriotism has major educational potentials and is a powerful motive force for Romanian society's all-around progress. All the great achievements in the years of socialism are due to the heroic labor, diligence, inspiration and patriotic fervor of the working class, peasantry and intelligentsia and the entire people. Patriotism is not a mere emotional state but a series of convictions, feelings and attitudes based on knowledge and appreciation of the people's glorious history, and it is reflected in the full loyalty of workers of all nationalities to their common socialist fatherland and to the party's and state's domestic and foreign policies, and in their inalterable determination to keep defending and developing their revolutionary gains and to secure the progress of socialist and communist civilization on Romanian soil.

To be sure patriotic convictions and feelings are not innate values. They are formed gradually and acquired from an extensive and regular educational effort on the part of all educational elements in Romanian society by the appropriate political-ideological and cultural ways and means. As the party secretary general says on this subject, "Indoctrination of all workers of all nationalities and especially youth in love of country and revolutionary socialist patriotism is a permanent obligation to be emphasized in all political and cultural activity. By developing recognition and appreciation of our ancestors, who defended the people's national existence at enormous sacrifices and carried the battle flag for freedom, independence and national and social justice, we must sow in people's awareness a sense of responsibility for our ancestors' legacy and determination to carry on the torch of progress and civilization on Romanian soil under the new historical conditions."

As an act of awareness, patriotism is one of the deepest and most lasting feelings. It has proved its power in Romania's age-old existence and development and it is strikingly illustrated in our period by the people's unshakable resolve to build a new and better civilization on Romanian soil and to keep improving and securing its progress under the socialist system.

The RCP and the whole nation honor the memory of all those who laid the lasting foundations of the new Romanian society by their struggles and sacrifices, and they are fostering, in the awareness of the young generation and all workers, appreciation of the wonderful saga of radical reforms that have covered all sectors of Romanian society in the years of socialism as well as the fervent desire to spare no effort to defend and develop their revolutionary gains and to raise the patriotic deeds of their ancestors to new and qualitatively higher levels. Together and in inseparable connection with honoring and valuing Romania's glorious history and the Romanian people's advanced, progressive and revolutionary traditions, patriotism includes, as an essential characteristic, definite, responsible and active involvement in the general effort toward all-around development of socialist

society, which the entire people are successfully building under the guidance of their revolutionary party. The socioeconomic aims of the RCP Program and the historic decisions of the 13th Party Congress and the National Party Conference necessitate, as an essential requirement, promotion of socialist patriotism on the job through exemplary fulfillment of the plans and programs for socioeconomic development in all activities.

The workers' awareness of the great gains made in the years of socialism and of their new position in relation to the production means and socialist ownership is naturally enhancing their patriotic feelings. The socialist nation, which has been gradually improving the people's material and cultural values created by the labor of all generations, is particularly prized because the people are functioning actively and responsibly as holders of the political and economic power and sole beneficiaries of the results of their labor as well as a force carrying out the party's strategy and the ideals of socialism and communism.

The manifestations of true patriotism really determines and will be actually reflected in all aspects of people's lives and work. Socialist patriotism generates and amplifies the spirit of selfless dedication with which they work for fulfillment of the plan tasks with high economic effectiveness, for the success of the new technical-scientific revolution and the new agrarian revolution, and for general social development. These traits, characteristic of the new kind of man, the purposeful and active builder of socialism and communism, become richer and more stable and acquire great political and patriotic significance as every worker better understands the need of purposeful all-out efforts on behalf of the country to enhance its material and cultural well-being, to accelerate its material and cultural progress, and to enhance its international prestige.

In emphasizing the need of more and more intensive promotion of revolutionary socialist patriotism as one of the priorities in the work of all educational elements in Romanian society, the party secretary general also pointed out that this requires increasingly firm opposition to certain tendencies and behavior on the part of some citizens lacking in patriotic awareness and given to backward ideas who want to leave their country and seek a better place in another country. Such ideas obviously conflict with the way of life and thought of the Romanian people, who never abandoned their land even under the hardest conditions in their history but fought invaders fearlessly and overcame all obstacles in the way of their natural development, securing the formation of the nation and the unified Romanian national state, and they must be entirely eradicated from the minds of all members of Romanian society through a sustained and convincing educational effort to foster love of country work and the wonderful prospects that the new order is opening up for every worker, freed of exploitation and oppression and full master of his fate in his own country.

As Nicolae Ceausescu said, "Political-educational work must intensively develop the feeling of dignity and pride in being a citizen of socialist Romania, playing an active part in building the most just and magnificent society, and serving the country, the people, and Romania's sovereignty and independence under any circumstances!"

The RCP and its secretary general consider patriotism inseparable from respect and esteem for other countries and peoples and from the international solidarity and collaboration of all revolutionary, democratic and progressive forces everywhere.

The RCP's fundamental position on the dialectical unity of revolutionary patriotism with international solidarity is based on the fact, confirmed by the whole social-political development of the contemporary world, that love of country and the right of every party and people to determine its political policy independently do not in the least conflict with respect for other nations' achievements, friendship and mutual aid among peoples, militant solidarity with their revolutionary parties and progressive democratic forces, or development of increasingly extensive collaboration among them in the fight for democracy, socialism and peace. On the contrary, promotion of revolutionary socialist patriotism and of an independent policy on the part of every communist party is directly correlated and interacts with development of international solidarity and formation of a new unity of the community and workers parties.

Experience entirely bears out the viability of the views of the RCP and its secretary general about the scope, content and principles of international solidarity, which can no longer be limited to the working class these days or to the socialist countries. In keeping with the changes that have taken place in the world, it must include not only the unity and collaboration of all socialist countries and the unity of all communist and workers parties, the working class and all its political forces, but also the support of the national liberation movements as well as the struggle and collaboration against imperialism, colonialism and neocolonialism on behalf of the peoples' independent development, construction of a new international economic and political order, and disarmament, detente, security and peace in the world. This broad interpretation of international solidarity can lead to increasingly effective advancement of the forces of progress and peace and to provision for fulfillment of man's aspirations to a better and more just society.

Nationalism and Chauvinism as Reflections of Reactionary Imperialist Ideology

CALIN VILSAN: In undertaking its historic mission of building a new and profoundly humane order on Romania's ancestral land, the RCP made it a major and permanent aim of its revolutionary effort to fulfill the Romanian people's high ideals of social and national justice while very firmly opposing any attempt to foment

discord and hostility among workers of different nationalities or among peoples. In the party's view the fight against any manifestations of nationalism and chauvinism, regardless of their origin, has been and is an inherent feature of the theory of scientific socialism and a first obligation of the progressive revolutionary forces in every country in their effort toward the workers' social and national liberation, cultivation of socialist patriotism, and promotion of international collaboration, good will and peace.

By their very nature national awareness and patriotic ideas are opposed to the reactionary content of nationalism, which is an ideological and political weapon of imperialism and the backward forces for securing their domination and maintaining national and social oppression of the peoples. Whereas in the period of the rise of capitalism or during the struggle against imperialist colonial domination nationalist ideas helped to form and develop the peoples' national existence and to bring that struggle to victory, later on, as the bourgeoisie became the ruling class, nationalism became an exclusivist, chauvinist and expansionist ideology used against other nations and invoked to justify the attempts at hegemony of the monopolist bourgeoisie and other reactionary circles and their policy of inciting the working masses and the peoples in order to distract their attention from the real questions on which their vital interests depend.

As we know, chauvinism is an extreme form of bourgeois nationalism that characterized the ideology of the fascist regimes condemned and overthrown by history. Yet even now nationalist and chauvinist ideas are intensively propagated by reactionary circles hostile to democracy, progress and the peoples' free and independent development in order to weaken their united effort and that of all workers of all nationalities, to perpetuate oppression and domination, and to justify acts of aggression and interference in other states' internal affairs.

Clearly the interests of the working class, the masses and all peoples and the victory of the cause of socialism, progress and peace call for a determined struggle against any nationalist, chauvinist or revisionist ideas or practices, which are incompatible with the revolutionary theory, which promotes the profoundly humanist ideas of equality and collaboration among nations and of the united struggle of all workers of all nationalities against exploitation and oppression and on behalf of national freedom, social justice, and militant international solidarity. As V.I. Lenin said, in order to secure the unity of the workers in their common struggle, "It is the duty of all purposeful workers to rose with all forces against those who foment national hatred and distract the working people's attention from their real enemies."

By eliminating the exploiting classes and social and national oppression, socialism eradicated the social roots of nationalism and creates the objective conditions for instituting full equality and justice among nations and the full equality of rights of all workers regardless of nationality.

By creatively applying the revolutionary principles of scientific socialism, the RCP consistently promotes a policy of full equality of rights of all workers of all nationalities and consolidation of friendship, collaboration and solidarity with all the socialist countries, with the communist and workers parties, with all peoples fighting for their independent and sovereign development, and with progressive, anti-imperialist forces everywhere. The RCP has been resolutely opposing any instance of nationalism chauvinism national inequality and taking firm positions of international solidarity and respect for other peoples and their struggle for social and national justice, for fulfillment of all nations' aspirations to freedom and independence, and for new relations of equality and respect among them.

The RCP and its secretary general consider both equality of rights of all Romanian citizens of all nationalities and friendship and solidarity with all peoples of the world quite feasible on the basis of a consistently revolutionary policy. As a reflection of this view, in the years of socialist construction the RCP has brought about a complete, democratic and equitable solution of the minorities problem as well as full equality of rights for all Romanian citizens and strengthened the brotherhood and unity of all Romania's sons. In bringing out the significance of this great historic achievement of the Romanian socialist system, Nicolae Ceausescu said that "The democratic, revolutionary solution of the minorities problem in Romania on the principles of scientific socialism and Marxism-Leninism has permanently eliminated national oppression of any kind along with oppression by the bourgeois-landowner class. Socialism has been providing for complete fulfillment of the personality and of every citizen by bringing about all workers' actual equality in all activities."

While implementing all workers' equality of rights, the RCP is also taking steps to develop revolutionary socialist awareness, to form the new man as a dedicated builder of socialism and communism, and to foster socialist patriotism, devotion to the nation and its people, and the determination of all workers of all nationalities to put all their energy, effort and creative power to work for the prosperity of their common fatherland, the Socialist Republic of Romania. As Nicolae Ceausescu said in his Report to the National RCP Congress in December 1987, "We are firmly resolved to go on developing solidarity among all Romanian citizens regardless of their social category or national origin. We are all sons of the same people and citizens of the same country! The entire Romanian people's future heavily depends upon the united labor of all Romania's sons and implementation of the decisions of the 13th RCP Congress and the programs for national socialist development!"

A number of nationalist, revisionist stands and actions taken by some political circles abroad trying to revive very harmful ideas and practices from times long past that are refuted by experience and condemned by history

prove quite groundless in this light, and clearly in conflict with the actual Romanian conditions, the principles of socialism, and the new, humanist spirit of equality and close collaboration itself, which should characterize relations among people and nations. While disparaging the struggles of the Romanian people's history and Romania's achievements in the years of socialism, these circles are trying to interfere in Romania's internal affairs under the pretext of the so-called "minorities problems." It is clear that such nationalist actions, however they are disguised, are seriously impairing international good will and cooperation and the interests of peace and socialism, and for that reason they must be most forcefully opposed by all those who share in the noble ideals of humanity and of the revolutionary and progressive forces, and in the effort to fulfill and defend them.

Under the conditions of the present period, the tendency to underrate the ability of the revolutionary forces in other countries to solve their own problems in the course of socialist construction is also to be considered nationalistic, as well as the attempt to minimize their results and to contrast some experience with other countries' methods of building the new order. It is a well-known fact that the communist and workers parties are working under different social-political conditions, so that their solutions allow for the particular situation in each country because the basic principles of scientific socialism are applied to its distinctive objective historical features. Hence every party's inalienable right to formulate its political policy and its strategy and tactics independently for socialist and communist construction according to the objective requirements of each stage, as well as the necessity of respecting this right of all the parties and of working steadily for consolidation and development of collaboration with all the forces striving for progress and peace. There is no question that there can be different opinions and different ways of solving any problem of socialist construction. Nicolae Ceausescu says, "We said this long ago and we have always maintained it, even when some, including our neighbors, said we were deviating from real socialism because we were consistently relying on our ability to interpret the general laws and principles of socialism and to apply them to our situation... We have not asked anyone to approve of us or to imitate us, and of course we do not permit anyone to pose as omniscient or to advise us on any problem."

In the spirit of international solidarity and the principles of scientific socialism, the communist parties in general and those in the socialist countries especially, while fighting for their peoples' vital interests, have the sacred obligation not to accept, encourage or promote in any way ideas and practices that conflict with the revolutionary theory, social progress, the peoples' interests and friendship, peace and collaboration among all nations. Nicolae Ceausescu says, "The concept of scientific socialism and Marxist-Leninist principles require everyone to fight chauvinism and nationalism in his own

ranks first and in no way to encourage or foment such behavior foreign both to socialist and humane ideas and to ideas of good-neighbor relations among states."

Every People's Right To Choose Its Own Course of Development

GHEORGHE MOCA: Current practice in international relations and the facts of today's world make it more evident than ever before that national sovereignty and every people's right to choose its political and social organization and its economic and cultural development in freedom and according to its aspirations are critical to social progress in a climate of peace, good-neighbor relations and international collaboration, which are vital aims of all peoples. Both now and in the past, systems based on exploitation have always generate trends and practices of subjugation of smaller and weaker peoples and states by more powerful states and intervention in various ways in other states' internal affairs, impairing national independence and violating the peoples' right to free self-determination. That is why the peoples and the democratic and progressive social forces have combined the struggle for social liberation in various historical periods with the struggle for national liberation and against foreign intervention and oppression and any outside interference in order to secure their free and independent development in sovereign states. The Romanian people's history and that of other peoples as well cogently demonstrates that the right to existence as an independent state, to national dignity, and to solve all internal problems with no outside interference has always been the cause of the broadest masses and a reflection of their vital interest in progress and welfare.

The roles of national sovereignty as the political-legal basis of the people's free development and of their opposition to the imperialist policy of force, dictation and intervention in other states' and nations' internal affairs are thriving particularly today, thanks to the great revolutionary social and national and material and cultural reforms. The progressive value of national sovereignty and independence is conspicuous in these times because they are factors for intensive free development and social progress and also for organization of international relations according to the aspirations to peace and prosperity of all peoples of the world. This brings out the inseparable connection between national sovereignty and independence and every people's right to determine its fate and the courses of its own development in freedom and according to the particular historical-national conditions and characteristics of its evolution and existence.

National sovereignty is no subjective or formal arbitrary idea nor any "theoretical fiction," as some bourgeois theorists maintain, but as the whole evolution of society proves, it is a social-political phenomenon with many far-reaching implications for the internal development of every state and people and for the organization and conduct of international relations.

The postwar national liberation movement resulting in the formation of numerous states as independent entities, the formation of the socialist states and their assertion as fully sovereign states, and the spread of the people's struggle for self-determination demonstrate that national sovereignty, so far from having become an "outmoded anachronism" pertaining solely to the past, continues to be important in the present and the future as a factor for intensive promotion and assurance of all states' and people's free and equal development and international peace and collaboration.

Every people's right to free self-determination has in its turn a political-legal protection of its exercise in observance of national sovereignty, the general political, economic and social framework for implementing it on terms of independence and noninterference in internal affairs, as a reflection of the vital interests and aspirations of the people's independent existence and development. Every people's social, economic, cultural and other progress is possible only on the basis of observance of sovereignty and its full and exclusive exercise internally as well as in relations among all states without exception.

In today's world the people are rising more and more firmly against any forms of domination or oppression or of violation of their sovereign rights, since it is only with full sovereignty that they can develop their production forces and national economies, actually exploit the natural riches and resources of their lands in their own interest, and choose and build their socioeconomic and political systems according to their vital interests. The states' complete independence, to the exclusion of any forms of outside pressure or interference in the solution of their internal problems, is the indispensable framework for the united, efficient action and organization of all of a nation's progressive social-political forces and for attainment of the goals of revolutionary democratic reform under each country's particular conditions. The struggle for national independence is acquiring new progressive qualities in these times, when the imperialist policy of interference in other states' internal affairs is operating under the most varied forms and pretexts, and "strategic interests," "humanitarian questions" etc. are frequently invoked against the people's aspirations to freedom and progress.

In Romania's views and practice, enforcement of human rights within each country is determined by the general social conditions in that country, by each nation's free development, and by its independent existence in an inseparable connection with every people's basic right to free self-determination and to choose the ways and means of their independent development. Enforcement of human rights is accordingly an integral part of the social, economic and political reform and the free, all-around development of every nation, without which they remain limited and restricted in their application.

The problems of enforcing human rights in their various aspects, especially as regards the nationalities within a state's territory, are solely internal problems of each state and pertain to its sovereignty. They are also an area of assertion and convergence of the principles of sovereignty, the right of every people to self-determination, noninterference in other states' internal affairs, and the whole set of fundamental principles of international law, which are valid and binding on all states of the world. Observance of these requirements is basic to any normal good-neighbor relations of peace and cooperation among states.

This conception and practice consistently promoted by Romania in international relations is strongly supported by the nature of the international regulations which, in this field, are enforced not only by the ways, means and instruments of international cooperation according to the people's national interests, but also internally by the means for each state's exercise of its national sovereignty.

The international legal standards and the provisions on human rights are not implemented directly or automatically in the internal system in the states' territories, and they do not replace the exercise of their sovereignty in any respect. Of course the states are obligated to provide for implementation of the international regulations to which they are parties by internal, primarily legislative measures. The individual's rights and obligations are accordingly enforced and particularized through the rights and obligations enacted for all persons within its territory, whether citizens or foreigners. To that end the Constitution and other Romanian legislative enactments specify the citizens' basic rights and obligations and other civil rights and obligations. But the states' cooperation in this area conforms to international law, according to which no "international protection" of human rights can be instituted or invoked in any form if it would infringe in any way upon the states' sovereignty or would constitute any interference in their internal affairs. Effective protection of human rights within each country are internal matters and attributes of national sovereignty, since the states' cooperation is intended to support and not to replace the national authorities' practical measures.

In Romania, the human rights specified in the international regulations to which Romania is a party are legislated through the Constitution and other regulatory acts as civil rights and obligations, and their enforcement is guaranteed for all Romanian citizens without discrimination through all the social, economic, political, cultural and other conditions characteristic of the Romanian socialist state and the fully developing Romanian socialist society. The effectiveness of all the regulations on this subject is assured by the complete correlation of the civil rights and obligations and by a series of economic, social-political, governmental and legal guarantees. This also includes, as a component part, the existence of the national minorities in Romania, whose

rights, assured without exception for all Romanian citizens, are internal matters of the Romanian state and government, to the complete exclusion of any interference on any pretext in Romania's internal affairs. Moreover there is no minorities question in current international law apart from the general questions of human rights and their enforcement in the course of social progress and fulfillment of the aspirations to independence of every people and every country. By way of these ideas and actions the RCP consistently promotes the policy of Romania's all-around socialist development in the interest of the entire people, all Romanian citizens of all nationalities, and international peace and cooperation.

5186/12223

Deputy Minister of Wood Industry, Construction Materials

27000080d Bucharest BULETINUL OFICIAL
in Romanian Part I No 21, 23 Apr 88 p 2

[Excerpts] The President of the Socialist Republic of Romania decrees:

Article 1—Comrade Mircea Georgescu is released from his position as deputy minister of the wood industry and construction materials.

Article 2—Comrade Gneorghe Dragomir is appointed deputy minister of the wood industry and construction materials.

[signed] Nicolae Ceausescu President of the Socialist Republic of Romania
Bucharest, 22 April 1988 No 53

/9738

YUGOSLAVIA

Everyday Activities of Federal Police in Kosovo Sketched

28000097 Belgrade NEDELJNE INFORMATIVNE
NOVINE in Serbo-Croatian 27 Mar 88 pp 24-26

[Article by Nikola Vidic: "Public Safety: Danger as a Profession"]

[Text] The existence of "special security considerations," evaluated and determined by the Presidency of Yugoslavia, required a federal police detachment to be formed to protect public security in SAP [Socialist Autonomous Province] Kosovo. With the mission of "directly carrying out public security functions in the province," this detachment, which is made up of around 300 members of the police brigade of the Federal Secretariat for Internal Affairs [SSUP], was dispatched to Kosovo on 21 October 1987. The detachment is still there. This is one reason why its existence continues to attract public attention with undiminished intensity.

The federal police detachment has aroused great interest since the time it was posted to Kosovo, not to speak of the various surmises about the real motives for sending federal forces to Kosovo, there is talk about the appearance, equipment, and combat capability of this unit.

Just what does this SSUP brigade look like, and what does it do?

The story of this elite police unit began in 1975, when the Federal Council on Protection of Public Order of the Presidency of Yugoslavia decided that a SSUP police brigade needed to be formed on the basis of the existing SSUP police detachment. This decision, as was stated at the time, was based on "evaluation of the security situation and of the position and role of federal authorities and organizations in exceptional circumstances and in instances of direct threat of war or of actual war."

This was preceded by a reorganization during the transformation of the federal administration and the position and role of the federations involving among other things the mission of the internal affairs organization in performing public security functions. The organization of the Yugoslav police force was modified at the same time. Some of the functions of the republic-level and province-level public security services (internal affairs) were transferred to opstina-level authorities. This turned out not to be the most felicitous solution. Experience up to 1975 confirmed that some security functions under SSUP jurisdiction could not be efficiently performed under this arrangement, so the SSUP brigade was formed at the end of 1975.

As we were informed in an interview given to NIN (NEDELJNE INFORMATIVNE NOVINE) by SSUP brigade commander Mitar Knezevic, the brigade has gone through several stages of development. It is currently made up of the following organizational elements: police brigade headquarters, the division for external and internal security for federal authorities and organizations, installations of special importance, and foreign embassies and consulates.

The special operations battalion, also one of the elements of the brigade, will be discussed later.

The functions of the "rear area affairs" division include protection of the assets of the National Bank of Yugoslavia in transit and the maintenance of the materiel and equipment of the unit.

Replacement of SSUP Brigade Personnel

"The brigade is currently made up of approximately 1,000 active-duty personnel and 500 reserve personnel," states Knezevic. "We are able to carry out full mobilization at any time of day or night, arm and equip all personnel, and then dispatch them wherever they may be needed. The reserve personnel are from Belgrade and the immediate vicinity."

In the selection of reserve personnel, the question is asked whether they will be able to carry out their assigned missions at all times.

"I can say without reservation," asserts Knezevic, "that we have had no problems with these people since the formation of the brigade."

The situation is different in relation to active-duty cadres.

"Because of the differing statutes in the individual republics and provinces, the SSUP is unable—as was planned—to obtain personnel from all republics and provinces for this unit. The decisive factor is personal income, which is lower in the federal brigade, along with the shortage of funds for housing construction."

Although in 1984 the federal internal affairs secretary and his counterparts in the republics and provinces agreed that by 1985 one-half of the personnel of the brigade would be replaced with policemen from the individual republics and provinces, this has not yet happened. In 1987, for example, each republic was supposed to send 30 policemen, and each province 20, but far fewer were assigned to the brigade. Not a single policeman was sent to the brigade from Slovenia last year, but the reasons are purely financial.

Because of these problems, people at Brigade Headquarters emphasize that "the Internal Affairs Law should be amended and supplemented so as to include authorization for the republic-level and province-level internal affairs secretaries to dispatch policemen from their areas to the SSUP police brigade at the request of the federal secretary. At the same time, this implies the obligation of creating suitable conditions for accommodation and of resolving questions of personal income and other status-related questions."

According to Knezevic, "the majority of our policemen are married, but their wives are unemployed." Because of unsolved housing problems and high rents in Belgrade, they are forced to live in nearby towns such as Indjija, Pazova, and Lazarevac, and this affects mobility and readiness. When the average personal income is 30 million old dinars, after one of our men has paid his rent and other mandatory expenses, his very subsistence is almost jeopardized. I point this out to show that rumors of the alleged privileged position of SSUP police brigade personnel are out of place."

These difficulties do not prevent the brigade from successfully, efficiently, and uninterruptedly carrying out its important and dangerous missions, as has been demonstrated in Kosovo.

When asked what he thought about the statement by Azem Vlasli that the police detachment did not need to be sent to Kosovo, Commander Knezevic replied: "It is not up to me to evaluate a statement made by individual

officials. Our detachment was dispatched at the direction of the federal secretary, on the basis of a decision issued by the Presidency of Yugoslavia. The Yugoslav public is aware that the security situation in Kosovo is not satisfactory, and the Presidency certainly was fully justified in making this decision. For that matter, our mission is not just to act in a situation in which a direct reason exists for doing so, as in 1981, but also to take preventive action. Were this not justified, a federal detachment would probably not have been sent there in this extremely difficult economic situation."

In connection with the amount of funds spent for outfitting, quartering, and subsistence of the unit, Knezevic stated that the Yugoslav police is financed out of the budget, for both ordinary and extraordinary circumstances, and that it is "normal for funds for personal incomes and training to be increased when a unit is in the field and isolated from its regular activities."

At the time that the detachment was sent to Kosovo, protests were being frequently organized by Serbian and Montenegrin groups in Kosovo. Just how accurate were the semipublic assertions that an important mission of the federal unit was to prevent such protests?

"This is not accurate," Knezevic stated flatly. "Our units are in Kosovo to prevent any hostile action. Those most responsible for the unsettled security situation in Kosovo are the Albanian nationalists and separatists, who unfortunately are still active. This is the most important reason for our presence there, but there is no question that we will take action against all who have evil intentions against our country, whether Albanians, Serbians, or others."

The Special Police Are Sturdy Lads

We had occasion the next day to see how they act, when we were at the 13 May Sports and Recreation Center, where members of the special operations battalion conducted an exercise.

While watching this 20-minute exercise, involving the rescue of hostages from an occupied building, we felt that we were watching the screening of a Ninja or Superman action film. Young men slid down ropes at almost incredible speed from a hovering helicopter, and climbed a wall protected by heavy sniper fire on the ground. The terrorists were quickly overpowered and removed, and the hostages were released.

"If this had taken place in a 'real' situation, the terrorists would have just as rough a time," stated the obviously pleased director of this operation, Milovan Lapcevic Zuca.

What is the decisive factor in the success of such operations?

"The thoroughness of training and mutual confidence of the special operations personnel," said Lapcevic. "Reaching this level of training has required much physical exertion and the firing of thousands of rounds. You saw how the special forces people confidently approached from the roof the window of the room in which the terrorists were located. They knew that a sniper on the ground will hit his target every time. Every sniper is trained to hit the silhouette of a head with 100-percent accuracy from a distance of 300 meters, directly in the eye if necessary. The special operations sniper is one who achieves 100 hits out of 100 rounds fired."

We were told that the "special operations personnel" are capable, among other things, of freeing all types of airplanes which land in our country from terrorists and hijackers. Aircraft rescue exercises are conducted with real airplanes at an airfield, so that the unit knows how to react in each individual situation (for each type of aircraft).

The commander of this unique and superbly trained battalion is Mirko Jokic, who began service in this unit as a policeman after he had completed the Internal Affairs intermediate school. He subsequently attended and completed studies at the Military Academy.

"In relation to the level of training, we are among the very best in the world," says the SSUP brigade commander, Mitar Knezevic, who has visited many countries. "We gained special recognition from the West German commander of their world-famous special unit, the GSG-9, Colonel Uwea. The Chinese have applied some of our experience in similar units of theirs."

Equipment of the SSUP Brigade

Like the special operations battalion, the SSUP brigade is equipped chiefly with Yugoslav-made weapons.

"Weapons which are not cost-effective for us to make in the amounts we need are the only exception," states Knezevic. "The most common foreign weapon is the 'Heckler,' a highly efficient automatic rifle and pistol, the number of which is to be increased in 1988. Also in use are all types of chemical bombs and grenades, chemical rifles, and pistols. The motor pool is capable of carrying the entire unit simultaneously but needs to be replenished, because of the age of individual vehicles and the shortage of spare parts, especially in the case of armored personnel carriers and all-terrain vehicles."

The brigade commander stated that the available communications facilities meet the needs of regular operations and missions, but that operations under exceptional circumstances "require the procurement of more modern command and control equipment, such as a mobile encryption center, a shortwave center, hand-held radios, radio relay equipment, and so forth."

This equipment requires a considerable amount of funds, which would have to be obtained at the federal level. Possible objections to such allocations could be countered with the well-known story about the boar that sharpened his tusks for no particular reason, even when he did not expect any trouble.

[Box, p 25]

How They Spend Their Time

The members of the SSUP police brigade are young men; their average age is 25. How do they spend their free time?

"They spend most of their time training, which is an ongoing process," says deputy brigade commander Aca Bulatovic, "regardless of where we are located. The day

begins early with mandatory drill and physical conditioning. Various tactical exercises follow. Exercises are often carried out at night, and there is no shirking, because every member of this brigade is aware that both execution of the mission and his own life depend on his full readiness. They nevertheless find time for recreation. Good relations have been established with the local youth organizations, and joint cultural and artistic programs are organized. We go to the movies and go to restaurants as a group. You often hear the strains of the song "From the Vardar to Triglav" wafting from a restaurant, and new romances are found. Several of the young men of the brigade have married Kosovo girls. This friendliness between the inhabitants of Kosovo and our policemen contributes toward the overall settlement of the situation in Kosovo, and this is one of the beneficial operations of this unit.

6115

BULGARIA

Navy's Deputy Commander Damyanov on Leadership, Restructuring

22000031 Sofia ARMEYSKI PREGLED in Bulgarian
Mar 88 pp 8-10

[Article by Rear Adm Stefan Damyanov: "Commander the Main Factor in Restructuring"]

[Text] In many of the utterances of fleet communists at report-and-election meetings there has been sensed frank and honest dissatisfaction not only with the pace, but also with the results in restructuring the overall life of the collectives. The reasons for such dissatisfaction vary. In some instances they are the irresolute actions, not in the spirit of the times, of the commanders, political organizers, staffs, party and Komsomol organizations. In other instances, the reasons are their own impatience and their conception of restructuring as a torpedo or missile attack that must be completed in metered minutes.

One thing is indisputable—the restructuring process, regardless of its overall complexity and difficulty, is evolving properly in breadth and depth in all fleet collectives. But we are essentially in its initial phase, on the crest of its first wave. It has not reached everywhere, and here and there "islets" of inertia and lack of initiative are still to be found.

The organizer of restructuring—and this must be emphasized—is the commander of the ship and unit who, according to naval regulations, "bears personal responsibility to the Bulgarian Communist Party and People's Government for the constant combat and political readiness, education, military discipline and political morale of personnel."

The heightening of the responsibility of military personnel and especially of commanders is dictated by the complexity of the present-day international situation and by the striving of the militant imperialistic circles of the United States and NATO to violate military strategic parity and to achieve military superiority over the USSR and Warsaw Pact countries. It is due also to the development of military science and techniques of armed combat, to the continuous improvement of arms and combat material, and to the necessity of maintaining ships and units in constant combat readiness.

The commander's responsibility is specific. It is manifested in his unrelenting task of improving his own personal qualities and training, in raising the effectiveness of combat and political training, in unconditional execution of training plans and programs, of pledges in socialist competition, in specific practical deeds.

Working dedicatedly and with a sense of responsibility means our fulfilling in full measure the duties prescribed for us in the regulations, executing missions without fail to the full, achieving high results from every class and

drill training exercise and cruise. It is precisely now—at the height of the training year, when the foundations of gun and ship's crews' high combat expertise are being laid—that commanders' responsibility increases significantly.

Fleet experience constantly gives us examples of commanders' responsible attitude towards the task of selflessly executing official and social duties.

Such qualities are possessed by Officers Dimitrov, Petrov and Iliev, who rouse genuine rivalry and combativeness in competition, who inculcate strictly prescribed service routine in their subordinate subunits and on this basis rally and mobilize the collectives to accomplish all missions with highest results.

Unfortunately, in some officers the sense of responsibility for the state of the work of the subunits, ships and units entrusted to them is sometimes deadened. Such instances were found at the beginning of the training year in the activity of some commanders in the units in which Officers Denev and Yankulov served. What is favorable is that, in the spirit of the new party requirements, they took a self-critical attitude towards these lapses and with the help of senior commanders and specialists remedied the situation.

Restructuring requires every commander resolutely to give up hollow declarations and trite appeals, to face up to vital organizational work with personnel, to be uncompromising in the campaign against shortcomings, and to cultivate the creative activism of subordinates.

Closeness to personnel has always been especially important for the commander. Now in times of restructuring it takes on special significance as a factor in activating personnel in training, as a factor in heightening responsibility and initiative. Elevating combat readiness to a new level, strengthening organization and order in all elements of the military and fleet organism means manifesting constant concern for political and moral education, for subordinates' professional growth, for their living conditions and recreation. Ship commanders Officers Dimitrov, Khristov, Khalachev, Mitev and Nedyalkov understand and perform their duties in this way.

They organize the lives of their subordinates strictly according to regulations, direct their efforts towards the formation of highly moral personalities, create within the subunits and ships an atmosphere of honor and dignity. They are first and foremost responsive senior comrades, subtle psychologists and pedagogues, who know how to combine a commander's stringency with constant solicitude for personnel. This is precisely the way to live with the interests of personnel.

At first glance the ship and unit commander is with his personnel every day. In classes and training exercises, in bunk rooms and on deck, the officer is everywhere with

personnel. However, you can be constantly with subordinates and not know their concerns, needs and desires or sense their needs. What is needed besides is emotional contact, sympathy and good will.

The attentive and warmhearted commander is sure to be familiar with the sailor's personal domestic problems; he detects a change in his mood and will always help if there is something wrong with his service. Every commander must constantly live with the concerns of the collective, must learn to work and cooperate with it, to rely on the party and Komsomol organization, to participate actively in their lives.

Unfortunately, that commanders and chiefs are out of touch with personnel, that they are not acquainted with their subordinates and the real state of affairs in the collectives are not isolated facts. Clearly, wherever an officer is not familiar with the situation, he is not sufficiently exacting towards himself and others, he covers up violations, he avoids frank exchange of opinions, and nonregulation attitudes spring up.

In the campaign for radical improvement of discipline it is especially important to eradicate nonregulation attitudes in the military collectives, to elevate the prestige of valiant sea service, to overcome chiefs' loss of contact with their subordinates. We must more rapidly shake off pointless administration, unnecessary regulation, petty superintending of subordinates; we must resolutely break down the wall of doubt of personnel's intelligence and initiative, their responsibility and civic approach to their job. The accomplishment of all missions today can be ensured only by heightening responsibility and organization, by strengthening discipline, by introducing strict procedure into everything.

One of the most important tasks of senior chiefs and political workers is to teach commanders to work individually with personnel every day and be strict and attentive chiefs; to equip them with a knowledge of pedagogy and psychology and with the ability to rely on public opinion. The education of future commanders to respect subordinates begins with the cadet formation at military school.

For the commander, restructuring means resolutely overcoming oversimplification, cliches, laxity and self-complacency in combat and political training. Strict execution of training plans and programs, conduct of classes and training exercises under conditions maximally approximating combat conditions—it is to these that commanders, staffs and political workers must constantly pay attention.

One's attitude towards restructuring, specific deeds for its implementation, ideologically sound tempering, moral image and competence, high professionalism, devotion to everything new and progressive—these are the decisive criteria in evaluating military cadres, including commanders.

Becoming profoundly aware of and effectively supporting the BCP's restructuring policy, mastering the theory of and experience with it, restructuring oneself and fighting for restructuring, seeking and finding ways of intensifying it in the sector of one's official activity—there is no more noble, more revolutionary and patriotic mission for us fighting men of the Bulgarian People's Army and Bulgarian Navy.

6474/9604

GERMAN DEMOCRATIC REPUBLIC

GDR Economist Nick on Bypassing COCOM Restrictions

23000079 Neubrandenburg FREIE ERDE in German
12 Apr 88 p 5

[Interview with Prof Dr Harry Nick by Joerg Marschner, date and place not specified: "The Technological Battle—A Challenge to Us Today"]

[Text] Prof Dr Harry Nick, our interview partner, born in 1932, was appointed professor in 1967. For several years now, he has been heading the research sector "Economic Problems of Scientific-Technical Progress" at the Institute for Political Economy of Socialism at the Academy of Sciences of the SED Central Committee. He is the author of numerous scientific and popular-scientific works.

[Question] A concept is making the rounds: "technological battle"—as formulated by Erich Honecker in his speech to the first kreis secretaries. What does it stand for?

[Answer] This battle actually exists. The concept expresses that in the high technology area in particular—i.e., in microelectronics, flexible automation, CAD-/CAM technologies and other fields—the development tempo is extraordinarily fast and has even accelerated further.

[Question] Can this tempo be defined more precisely?

[Answer] In the capital goods industry, product turnover for important items at present lies between 4 and 6 years. This is very fast, also measured against the useful life of the installations which, of course, can be much longer. But in the base technologies of microelectronics we already have a turnover period of 2 to 3 years.

[Question] For example, from the 256-kilobyte charge-storage switching circuit to the 1-megabyte chip?

[Answer] Yes. But that does not necessarily require new or larger installations. These are totally new technologies requiring new knowledge. It is characteristic that these technology generations necessitate a growing initial outlay of funds. And that, as said before, without interruption, every 2 to 3 years. The fact is that under the conditions of the scientific-technical revolution, one cannot simply measure progress by comparing what is today with what was yesterday, but rather, we must compare what we have today with what others have today. The time factor is of relatively autonomous economic importance. Internationally speaking, the fact is that small leads in important sectors are greatly rewarded, but even short delays are economically punished very severely on the world markets.

[Question] A battle usually has victors and vanquished. Is this also true for the technological battle?

[Answer] In its world-historical consequence, the confrontation will only have one victor. For me as a communist, there is no doubt who that will be. But we must first of all consider how we will direct this process today and tomorrow. Let me elaborate on that. It is the idea and the policy of the socialist countries, and especially of our republic, that we want to direct the confrontation with imperialism to this area. We do not want it in the field of military confrontation and the arms race. Naturally, this remains a class struggle, a hard battle; in it, we are never dealing with people who mean us well. But we are going a step further. At the same time, we see science and technology also as the main arena of positive competition and cooperation. There exist pressing current tasks which by their nature can be solved only in cooperation with the entire world, i.e., also with countries of different social orders.

[Question] What attitude does the potential adversary take in this positive competition?

[Answer] In the last 2 or 3 years, while some advances occurred in foreign policy and disarmament matters, there has even been some hardening in the economic confrontation on the part of the West. Since 1985, strong efforts have been made by certain influential circles to exclude the socialist countries in a brutal manner from the international division of labor in the field of high technology.

[Question] But weren't the COCOM lists, the embargo lists, reduced just recently?

[Answer] Quite true, now there are higher fences around fewer products. I do not see that as a concession. On the contrary, it is a practicable tightening. These embargo lists have meanwhile become enormous libraries. And if there were reductions, it was in the interest of stricter controls. For the foreseeable future, this will be true: Whatever our socialism does not accomplish by itself in the high technology field, we will not have. That means, if today we have the 32-byte computer or are preparing the 1-megabyte chip, then these are items which will be at the head of these embargo lists. That not only improves our prospects and positions in the confrontation, it also promotes certain political insights that the entire embargo business is nonsense. Thus our peak performance also advances important political processes.

[Question] All that points up the responsibility of everyone who has to deal with it. Is that not an enormous burden?

[Answer] It is often perceived as such, and it is said that these are objectively preset challenges and criteria, which is true. It appears as a force from outside. But it is not only that. Basically, it is a good thing with which we must

identify inwardly. We should be glad that this acceleration of scientific-technical progress exists and not consider it a whip driving us onward. We need this acceleration in order to keep our economic growth stable and to develop socialism ever more in the way we want it for the welfare of our people.

[Question] The way the conversation developed so far, it is self-evident to ask, "will we emerge victorious from this technological battle?" We must be victorious. But in view of the hectic development tempo, many are concerned by the question: Do we have the strength for it? Where do we get the strength?

[Answer] Socialism is not something static, something finished once and for all. This holds especially true for industry. Who would have thought 10 years ago that in only one decade we would progress to the 1-megabyte chip, namely, top international levels? In the last analysis, the acceleration of scientific-technical progress here as in capitalism is achieved by people. And we must organize our society and our industry in such a way that the advantages of socialism are fully effective and, above all, that man's creativity attains new dimensions.

[Question] Erich Honecker pointed out recently that the years since 1971 were a time of great changes and many reforms. This led to questions by readers where these reforms took place.

[Answer] We do not have, and we also do not need, a reform relating to the entire economic mechanism and a limited period of only a few years. Since the 8th Party Congress, we have brought about a constant change in the total system of management, planning and stimulation with the course of unity of social and economic policy and the strategy of intensification. If one compares the entire economic mechanism of today with that of 1970, one can say: In the GDR, a very far-reaching reform has actually taken place. This is particularly evident in the new structure of combines, the organic connection between science and production, and economic accounting.

[Question] Perhaps the depth of the reforms could be explained in more detail with the example of the combines.

[Answer] The combines are in fact the most visible example with the greatest effect on the overall system. In 1970, one-third of production came from centrally managed combines; at that time, we had more than 10,000 independent enterprises. Since 1981, centrally managed industry is 100-percent organized in combines. This was always linked to the improved overall system of planning, management and stimulation, and particularly to the combination of central planning and self-responsibility of the combines. Improving central planning was and is one of the pivotal points for us. It is one of the decisive advantages of socialism that, in the words of Marx, there exists such a thing as overall economic

reason, that the blind play of market forces cannot rage. But we would not have been able to qualify central planning and management if we had not created large economic units with full responsibility and corresponding possibilities. How can a ministry set structural policy, technical policy, the very acceleration of scientific-technical progress, for several hundred enterprises? It simply could not be done. With 10 or 15 combines, it is possible. All this is happening as a permanent process. With this course, we have coped with enormous burdens—for example, between 1973 and 1981 the almost twentyfold hike in oil prices—and have ensured capacity growth. In retrospect, one can only be astonished, almost. Overall, between the 10th and 11th Party Congress we carried out the turnaround to comprehensive intensification. Each year poses new demands, always demands perfecting the economic mechanism—there can never be an end to it.

[Question] For several years we have been talking about the demand to link the advantages of socialism more tightly and effectively with the opportunities of the scientific-technical revolution. With which advantages are we dealing?

[Answer] In my opinion, the socialist economy has three complexes of problems resulting from its nature, which capitalism does not have. At the same time—the matter is really very dialectical—they are its most important advantages, sources, causes, factors of its economic and social superiority, but also basic problems of its development. The first point: Socialism offers all members of society the same opportunities of social development. It ensures what we call social safety at a high and growing level. With us, social safety no longer only means that one has work, a place to live, that one does not go hungry; it also means education, qualification, personality development. This concerns elementary needs which, however, are satisfied not only on an elementary level—that is, relatively simply—but on a rather high cultural level. That is a great advantage—in the social-ethical view, which no one can dispute, but also from an economic standpoint, because that is the general culture medium for other impulses, involvement, social activity which other social orders simply cannot have. At the same time it is the source of the problem that, out of social safety, tendencies of social lethargy can develop. This danger does exist. So the question is what we make out of social safety—the individual as well as society, how we shape it, how we truly interconnect social safety and the achievement principle, social justice and differentiation. How it pays to be the best, or not.

[Question] So there is the growing responsibility of managers in particular, but actually also of every worker not to accept it if someone in his collective lives at the others' expense.

[Answer] That is how I see it, too. Many keep thinking only of new forms of the achievement principle and, naturally, we must also think in that direction. But first

of all, the question is: How do we utilize the existing possibilities, the range of differentiated pay especially in the area of science and technology? Sometimes a just and also hard assessment is avoided. At first, that is easier. But even in the medium-term, it is more difficult for the manager. Once the decay of customs has set in, it is difficult to get out of it. Managers who are firm have it easier, they save themselves much annoyance and irritation. Where clearcut conditions and the achievement principle rule, where there is differentiation, great differentiation according to performance, morale is generally good and, above all, it brings good performance.

[Question] These are problems which capitalism does not have. The fear of being added to mass unemployment works as an enormous pressure to perform.

[Answer] There is nothing we have to learn from them in that respect. I also know people who say that a tiny bit of unemployment wouldn't be bad in socialism. I consider that great nonsense. A little unemployment would change the social-psychological climate, would attack high moral values. No, that can't be done. We must look in social safety for the superior impulses to perform, for ever better solutions.

[Question] You spoke of three points which are an advantage, but also a problem. What is the second one?

[Answer] Socialist society uses all resources, we have nothing going to waste—neither in the labor force nor in production capacities. That is an enormous advantage vis-a-vis capitalism. Just think of the approximately 60 million unemployed in developed countries and that even during favorable economic cycles, material capacities are utilized at a rate of only 70 percent, 80 percent at most—what opportunities to solve the problems of mankind are wasted, even thrown away. That would be unthinkable in our society. But at the same time, there is a problem here. The management of resources—particularly when it concerns structural changes of their use—encounters certain limits. Because of its surplus resources, capitalism is in an easier position: At every social level—even among university graduates—there is unemployment; that promotes great mobility in order to build up new productions rapidly. Here again it holds true: We need our own ways and methods in order to promote this mobility, and to further perfect the planning and accounting system as required by the acceleration of scientific-technical progress and comprehensive intensification. To me, this is the greatest challenge to the socialist planned economy. The third point, that is the connection between central planning and management and self-responsibility of the combines. Let us take the problem of self-financing of investments for expanded reproduction. In my opinion, two things don't work. One cannot simply make the investment possibilities of an enterprise dependent on its profitability situation, as is done in capitalism. That would mean abandoning state technical and structural policy; it would be connected with the bankruptcy of socialist

enterprises, a selective mechanism; it would become a market mechanism. A second thing also can't be done: the simple apportionment of resources by the central office to the economic units regardless of their performance. We need a good linkage between both sides; that is the direction that 16 combines are testing now.

[Question] The starting point of our conversation was the technological battle. What consequences does all that have for the individual?

[Answer] The essential basic problem of perfecting this entire system is simply one of connecting overall social interests with collective and individual interests. In the last analysis, however, the whole rests on individual interests. The whole system must reach the individual. After all, we only progress through the work of each individual person. Under the conditions of scientific-technical progress, Engels' remark that everything first has to go through the heads of men gains ever greater significance. And with it, inner motivation. One's own will to change something, to achieve, to qualify, becomes more and more important. Therefore, to actually reach the individual, develop his motivation, enable him, encourage him to do what is necessary and also serves him deeply—that is irreplaceable, that is the highest art of managerial work.

9917

Reduced Volume in Inner-German Trade Detailed
23000078 West Berlin DIW WOCHENBERICHT
in German Vol 55 No 11, 17 Mar 88 pp 149-157

[Article: "Continued Unsatisfactory Development in Inner-German Trade?"; first two paragraphs are introduction]

[Text] In inner-German economic relations, developments have been unsatisfactory for a long time. But up to 1985, this fact was disguised by the high prices for energy and raw materials. Awareness of the structural and growth weakness of inner-German trade grew only after an opposite price tendency started in 1986.

Mutual economic trade relations depend on economic as well as political basic conditions. In contrast to the early 1970's when both conditions were favorable, this congruence is lacking today. The basic political conditions—particularly after the visit by SED General Secretary Honecker in the FRG in September 1987—are decidedly positive, while economic conditions are negative. The GDR has considerable economic difficulties. In 1987 they overshadowed their foreign trade as well as inner-German trade. The development in 1988 will probably also be impaired by them. It is all the more important, therefore, to search for new ways to promote this trade in the long term.

Table 1: Development of Inner-German Trade since 1970										
Year	Goods Traffic ¹⁾				Increase in goods traffic compared to previous year					
					nominal			real ²⁾		
	Purchases	Sales	Turn-over	Balance	Purchases	Sales	Turn-over	Purchases	Sales	Turn-over
	in DM million				in percent					
1970	1 998	2 415	4 411	420	27.5	8.3	15.0	.	.	.
1971	2 319	2 499	4 817	180	16.2	3.4	9.2	15.1	3.0	8.5
1972	2 381	2 927	5 308	547	2.7	17.2	10.2	1.8	15.3	8.7
1973	2 660	2 998	5 658	339	11.7	2.4	8.6	-3.5	- 6.1	4.9
1974	3 252	3 671	6 923	418	22.3	22.4	72.4	-3.6	1.8	9.8
1975	3 342	3 922	7 264	579	2.8	8.8	4.9	4.9	5.8	5.3
1976	3 877	4 269	8 145	392	18.0	8.9	12.1	6.6	7.9	5.1
1977	3 981	4 409	8 370	448	2.2	3.3	2.8	1.8	3.0	2.5
1978	3 900	4 575	8 475	875	- 1.5	3.8	1.2	1.1	3.5	2.4
1979	4 589	4 720	9 309	131	17.7	3.2	9.8	-9.1	- 3.7	-6.0
1980	5 580	5 293	10 873	- 788	21.8	12.2	16.8	5.8	2.8	4.0
1981	6 051	5 575	11 626	- 476	8.4	5.3	8.9	-1.4	- 2.8	-2.1
1982	6 639	6 382	13 022	- 257	9.7	14.5	12.0	10.3	12.3	11.4
1983	6 878	6 947	13 825	89	3.8	8.8	8.2	8.0	7.7	7.0
1984	7 744	6 408	14 152	-1 336	12.8	-7.8	2.4	7.3	-11.6	-3.6
1985	7 638	7 901	15 537	285	- 1.4	73.3	9.8	-2.9	25.8	12.2
1986	8 814	7 454	14 268	811	-10.4	-5.7	-8.0	3.7	4.9	4.4
1987	8 650	7 408	14 058	758	- 2.8	-0.8	-1.7	3.8	4.1	4.0

1) Goods traffic of the FRG including West Berlin.--2) Taking into account the price development computed by DIW. Sources: Federal Office of Statistics: Goods Traffic with the GDR and East Berlin, Special Series Nr 6, series 6 (Annual issues and monthly issue December 1987); DIW computations.

Basic Conditions

Honecker's visit in the FRG started a new phase in relations between the two German states. Both sides were agreed that new ways must be found to improve their economic relations. In the final communique, several projects for further cooperation were listed (energy deliveries, including West Berlin, extension of railroad traffic to and from Berlin) (Footnote 1). Three agreements and accords were signed (in the areas of environmental protection, radiation protection, and science and technology), and it was generally stated that mutual economic relations were to be improved.

The basic economic conditions are less positive at present. The exchange of goods between the FRG and the GDR depends in principle on the delivery capacity of the GDR. But the economic situation of the GDR is difficult. Economic growth declined in 1987, and many weaknesses became apparent, particularly the poor condition of installations and the inadequate efficiency of research and development. Shortfalls vis-a-vis the original plan requirements were almost the rule. The development of foreign trade is a reflection of this trend. Contrary to planning, exports and imports were below the results of 1986. With regard to socialist countries, the decline was small; in trade with non-socialist countries, on the other hand, it was considerable, both in imports and exports.

Table 2: Price Development in
Inner-German Trade

	1982	1983	1984	1985	1986	1987
Change compared to previous year in %	Price Development for Total Trade					
Sales ¹⁾	1.9	1.1	4.4	-2.0	-10.0	-4.0
Purchases ¹⁾	-0.3	-2.3	4.9	1.3	-13.3	-6.4
Terms of Trade ²⁾	2.3	3.5	-0.5	-3.4	4.1	2.0
Index (1970=100)						
Sales ¹⁾	104	100	104	100	171	103
Purchases ¹⁾	255	240	201	205	229	214
Terms of Trade ²⁾	72	75	74	72	75	70
Index of Sales ¹⁾ (1970=100)	Price Development according to Goods Categories					
Products of basic material and production goods industries	185	180	191	180	154	140
capital goods industries	199	204	200	207	212	216
consumer goods industries	155	150	157	155	140	145
agriculture and foodstuff industries	109	174	203	181	150	141
Index of Purchases ¹⁾ (1970=100)						
Products of basic material and production goods industries	364	350	373	302	201	250
capital goods industries	150	154	155	150	155	152
consumer goods industries	175	172	170	182	184	187
agriculture and foodstuff industries	152	151	157	147	135	129
¹⁾ The FRG including West Berlin.-- ²⁾ Export prices: import prices X 100 Sources: DIW computations based on data in: Fed. Office of Statistics, Goods Traffic with the GDR and East Berlin, ibid; Prices and Price Indices for Imports and Exports, Special series 17, series 8; Prices and Price Indices for Commercial Products (producer prices), Special series 17, series 2.						

The reason for this was GDR exports. Slowed economic growth, strong competition in the world markets, particularly in connection with the falling dollar exchange rate, and the difficulty of offering adequate quantities of goods salable in world markets made exporting more difficult. Evidently the GDR adapted its imports to that in order to avoid new indebtedness. But the recessive tendency in foreign trade in 1987 is not only seen in

inner-German trade but also in the entire East-West trade and in the Eastern trade of the FRG.

According to the plan fulfillment report of the GDR, trade with the non-socialist economic area (Western industrial countries and developing countries) declined by almost 10 percent. A breakdown according to regions is not possible because of the gaps and lacking comparability of GDR statistics with those of the partner countries. An exception is the inner-German trade which is documented in detail by the data of the Federal Office of Statistics. The statistics show that this part of GDR trade was affected by the decline, although not to the same extent as the total Western trade of the GDR.

Development 1987

According to the data of the Federal Office of Statistics, in 1987 as in the previous year there was a decline, due to prices, in the inner-German goods traffic in sales and purchases by the FRG. Computations by DIW show, however, that in real terms both sales and purchases grew by 4 percent each. Price reductions were greater in purchases (6.4 percent) than in sales (4.6 percent). Price declines were noted in particular in the areas of basic materials and producer goods as well as agriculture and foodstuffs; but they were insignificant for products of the capital goods and consumer goods industries. This picture holds true for both flows of goods, with certain deviations in the individual groups of goods.

Nominally, FRG purchases have declined more than sales. Especially at the beginning of the year, considerably lower purchase values appeared in the accounts. Broken down by products, the greatest declines were in chemical products (especially organic basic materials and chemicals) and in industrial consumer goods (textiles/clothing, furniture). In the chemical industry, greater price reductions contributed to the lower purchase values.

It is noteworthy that the purchase value of the combined items of gasoline, diesel fuel and heating oil did not drop despite declining prices (15 percent compared to 1986). In this case, the purchased quantities were increased by raising the quotas. Without this relief, there would have been a further decrease in the purchase of mineral oil products by about DM120 million; total purchases would then have declined by almost 5 percent.

Sales by the FRG developed in a more differentiated manner in 1987 than did purchases. In the area of basic materials and production goods, industrial consumer goods, and in the sector of agriculture and foodstuffs and luxury food industries there were sales losses, some to a considerable extent. Subdivided by product groups, this was the case with mining products (bituminous coal and crude oil), nonferrous metals, chemical products, textiles/clothing and shoes, feed (oil cakes and coarse meal), and oils of the foodstuffs industry.

Table 3: Purchases by the FRG¹⁾ in Inner-German Trade by Goods Categories

Product Groups or Products	Changes compared				Structure	
	1986 In million DM	1987	to previous year		1986 in percent	1987
Products of the basic material and producer goods industries²⁾	3.292	3.179	-114	-3.5	48.1	47.8
among them:						
mineral oil products	880	906	26	3.0	12.9	13.6
gasoline	161	170	9	5.4	2.3	2.5
diesel fuel and heating oil	617	636	39	6.3	9.0	9.9
iron and steel ³⁾	626	621	-5	-0.7	9.1	9.3
nonferrous metals ⁴⁾	383	409	26	6.7	5.6	6.1
chemical products ⁵⁾	887	775	-111	-12.5	13.0	11.7
anorganic basic materials and chemicals	90	83	-7	-8.1	1.3	1.2
plastics and plastics products ⁶⁾	272	258	-14	-5.3	4.0	3.9
Products of capital goods industries	978	981	3	0.3	14.3	14.8
among them:						
machine building products	268	278	10	3.9	3.9	4.2
electric products	380	359	-21	-5.6	5.5	5.4
iron, sheet metal and metal products	149	134	-15	-10.2	2.2	2.0
Products of consumer goods industries	1.863	1.768	-95	-5.1	27.2	26.6
among them:						
glass and glass products	116	115	-1	-0.7	1.4	1.7
wood products	349	337	-12	-3.3	5.1	5.1
furniture	265	259	-6	-2.1	3.9	3.9
textiles	534	495	-39	-7.3	7.8	7.4
for house and home	148	129	-18	-12.4	2.2	1.9
knitwear	232	231	-20	-8.1	3.7	3.5
clothing	523	496	-27	-5.2	7.6	7.5
outer clothing ⁷⁾	311	306	-5	-1.5	4.5	4.6
Products of agriculture⁸⁾ and foodstuff industries	655	651	-4	-0.7	9.6	9.8
among them:						
grain	152	175	23	15.2	2.2	2.6
animals for slaughter ⁹⁾	178	162	-16	-9.1	2.6	2.4
sugar, processed fruit and candy	122	118	-4	-2.9	1.8	1.8
All products¹⁰⁾	6.844	6.650	-194	-2.8	100.0	100.0

Deviations in the sums due to rounding off.

1) Including West Berlin.—2) Including mining products.—3) Including foundry products and products of drawing shops, cold rolling mills and steelworking.—4) Including their semi-finished products.—5) Including plastics products and rubber goods.—6) Including synthetic rubber.—7) Including processed pelts and fur goods.—8) Including products of hunting, forestry and fishing.—9) Including fresh pork.—10) Including other products.

Sources: Federal Office of Statistics Wiesbaden: Warenverkehr mit der Deutschen Demokratischen Republik und Berlin (Ost) [Goods Traffic with the German Democratic Republic and East Berlin], Specialized series Nr 6, Series 6 (Annual issue 1986, and monthly issue December 1987).

Table 4: Sales by the FRG¹⁾ in Inner-German Trade by Goods Categories

Product Groups or Products	1986 1987		Changes compared		Structure	
	in million DM		to previous year		1986 1987	
					in percent	
Products of the basic material and producer goods industries 2)	3.615	3.333	-283	-7.8	48.5	45.0
among them:						
mining products	544	478	-66	-12.1	7.3	6.4
bituminous coal and coke	249	194	-55	-22.2	3.3	2.6
crude oil	279	262	-17	-6.0	3.7	3.5
iron and steel 3)	922	910	-12	-1.3	12.4	12.3
products of blast furnaces	626	639	13	2.1	8.4	8.6
nonferrous metals 4)	605	421	-183	-30.3	8.1	5.7
silver	234	118	-115	-49.4	3.1	1.6
chemical products 5)	1.339	1.326	-14	-1.0	18.0	17.9
anorganic basic materials and chemicals	446	384	-63	-14.0	6.0	5.2
plastics and plastic products 6)	266	319	53	19.8	3.6	4.3
Products of capital goods industries	2.089	2.669	580	27.8	28.0	36.0
among them:						
rail cars	133	107	-26	-19.3	1.8	1.5
metalworking and testing equipment	413	891	478	116.0	5.5	12.0
installations for the chemical industry and for mining	207	268	61	29.3	2.8	3.6
paper, textile and sewing machines	331	169	-162	-48.9	4.4	2.3
electrical products	356	393	37	10.4	4.8	5.3
Products of consumer goods industries	862	647	-214	-24.9	11.6	8.7
among them:						
textiles	349	292	-57	-16.3	4.7	3.9
shoes	201	70	-131	-65.3	2.7	0.9
clothing	112	75	-37	-33.3	1.5	1.0
Products of agriculture 7) and foodstuff industries	782	641	-141	-18.0	10.5	8.6
among them:						
crude oils	77	41	-36	-46.8	1.0	0.6
oil cakes and grains	336	241	-95	-28.3	4.5	3.3
sugar, processed fruit and candy	91	94	3	2.9	1.2	1.3
coffee	99	89	-10	-10.3	1.3	1.2
All products 8)	7.454	7.406	-48	-0.6	100.0	100.0

Deviations in the figures due to rounding off.

1) Including West Berlin.—2) Including mining products.—3) Including foundry products and products of drawing shops, cold rolling mills and steelworking.—4) Including their semi-finished products.—5) Including plastics products and rubber goods.—6) Including synthetic rubber.—7) Including products of hunting, forestry and fishing.—8) Including other products.

Sources: Federal Office of Statistics Wiesbaden: Warenverkehr mit der Deutschen Demokratischen Republik und Berlin (Ost) [Goods Traffic with the German Democratic Republic and East Berlin], Specialized series Nr 6, Series 6 (Annual issue 1986, and monthly issue December 1987).

Table 5: Indices of Inner-German Trade

Unit	1975	1980	1981	1982	1983	1984	1985	1986	1987
in DM billion									
Purchases ²⁾	-	3.34	5.58	6.05	6.64	6.58	7.74	7.64	6.84
Sales ²⁾	-	3.92	5.29	5.58	6.38	6.95	6.41	7.91	7.45
Turnover	-	7.26	10.87	11.63	13.02	13.53	14.15	15.54	14.30
Balance	-	0.58	-0.29	-0.48	-0.26	0.07	-1.34	0.27	0.61
Goods traffic¹⁾									
Purchases ²⁾	-	3.34	5.58	6.05	6.64	6.58	7.74	7.64	6.84
Sales ²⁾	-	3.92	5.29	5.58	6.38	6.95	6.41	7.91	7.45
Turnover	-	7.26	10.87	11.63	13.02	13.53	14.15	15.54	14.30
Balance	-	0.58	-0.29	-0.48	-0.26	0.07	-1.34	0.27	0.61
Services rendered³⁾									
Purchases ²⁾	-	3.34	5.58	6.05	6.64	6.58	7.74	7.64	6.84
Sales ²⁾	-	3.92	5.29	5.58	6.38	6.95	6.41	7.91	7.45
Turnover	-	7.26	10.87	11.63	13.02	13.53	14.15	15.54	14.30
Balance	-	0.58	-0.29	-0.48	-0.26	0.07	-1.34	0.27	0.61
Financing Indices									
Accumulated									
Credit	-	2.39	3.87	3.65	3.80	4.10	3.10	3.60	4.00
Balance	-	2.39	3.87	3.65	3.80	4.10	3.10	3.60	4.00
Agreed	-	790	850	850	850	770	690	600	850
Swing	-	711	745	676	582	543	210	170	185
Swing used ⁵⁾	-	711	745	676	582	543	210	170	185
GDR payments	-	161	12	19	66	73	54	19	64
through special	-	161	12	19	66	73	54	19	64
"S" account	-	161	12	19	66	73	54	19	64
Relative	-	72	69	60	57	60	40	47	58
debt ⁶⁾	-	72	69	60	57	60	40	47	58
Extent of	-	90	88	80	68	71	30	28	22
swing use	-	90	88	80	68	71	30	28	22
Swing financing	-	30	19	19	15	13	7	5	5
share	-	30	19	19	15	13	7	5	5
Swing-purchase	-	21	13	11	9	8	3	2	3
ratio	-	21	13	11	9	8	3	2	3

1) According to data by the Federal Office of Statistics. For reasons of methodology, they deviate from the data published by the Federal Government in the BUNDESANZEIGER.—2) The FRG including West Berlin.—3) Account III of the Berlin Agreement: Purchases = passive services = expenditures of the FRG including the mail flat-rate agreed with the GDR (1983-1990: DM200 million annually); sales = active services = income of the FRG.—4) Credit balance of the FRG, financing balance of the goods traffic according to data of the Federal Government, services and cash payments (Special account "S") as of 31 December.—5) Swing actually utilized by the GDR on an annual average.—6) Ratio between accumulated credit balance and goods purchases from the GDR.—7) Swing used in percentage of the agreed-upon amount.—8) Ratio between swing used and accumulated credit balance.—9) Ratio between swing used and goods purchases from the GDR.—
Sources: Federal Office of Statistics, Goods Traffic with the GDR and East Berlin, Special Series Nr 6, series 6 (Annual issues and December 1987). Data by the Federal Ministry for Economics; computations by DIW.

As on the purchase side, there were also varying price reductions in sales, for example, for bituminous coal, nonferrous metals and feed, but also in the chemical, iron and steel sectors.

On the sales side in 1987, the capital goods area showed a—considerable—increase (by DM580 million, or 28 percent). Products of the machine-building industry played a particular part, and among them the item "complete machines and installations." According to data by the Federal Ministry for Economics, the VW motor flow was a major factor. (Footnote 2)

Compared to the previous year, there have been several remarkable changes in financing in 1987. Most noticeable is the greater use of the swing (from 185 to 402 million DM). For the years 1986 to 1990, the agreed-upon upper limit of the swing is DM850 million. The swing utilized in 1987 was noticeably higher than in the years 1984 to 1986, but still remained—in part, far—behind the levels of previous years. In its absolute

amount, in 1987 it reached the level of 1971 (DM413 million). Although the importance of the swing as a financing tool of inner-German trade has grown somewhat through its greater use in 1987 compared to previous years (see the corresponding table on the swing financing share and the swing-sales relation), it is only as high as at the beginning of the 1980's, and that is very little compared to previous times. (Footnote 3)

The cumulative credit balance, which expresses the total of all liabilities of the GDR vis-a-vis the FRG incurred through inner-German trade, results from the balance of the goods traffic according to data by the Federal Ministry for Economics, and the balance of services covered by the Berlin Agreement, after deducting the GDR deposits in the special account S of the German Bundesbank (cash payment account). As of 31 December 1987, it increased to DM4.3 billion (as compared to DM4.0 billion at the end of 1986). This means that the relative indebtedness of the GDR (1987: 65 percent of goods purchased by the FRG) has reached the level of 1980 and 1976.

The small increase of the cumulative credit balance seems at first surprising in view of the results in the goods traffic. One must, however, take into consideration that the data, unlike those of the Federal Ministry for Economics, also contain so-called third-country or triangle transactions. This means business transactions carried out and financed by foreigners, but the goods come from the FRG and are shipped directly to the GDR. Such transactions are not new. In 1987, however, they have evidently increased drastically since the GDR used this type of business transaction simultaneously as a trade and financing policy tool for "cosmetic" reasons, and perhaps for reasons of its country-specific foreign currency situation. According to—albeit very cautious—estimates by the Federal Ministry for Economics, in 1987 a delivery volume of about DM700 million was probably handled through third-country transactions; capital goods account for about two-thirds of this amount. (Footnote 4)

According to their own data, the GDR chose the detour via third-country transactions for goods transfer from the FRG in order to keep its deficit vis-a-vis the FRG within limits. This subject also touches centrally on the GDR policy of using the swing. It was again to be used as a classic means of promotion for inner-German trade.

Future Prospects

For 1988 and the immediate future, growth impulses for inner-German trade can possibly be noted on the sales side of this exchange of goods. (Footnote 5) But this presumes the GDR's willingness to accept a larger deficit in trade with the FRG. It is not certain at present whether the GDR is ready to accept it. Regardless of that, it is a fact that the problems which have always afflicted inner-German trade cannot be solved in the short term. This means, for instance, that delivery weaknesses of the GDR and a lack of marketing will continue in the future to limit its possibilities for expansion. For this very reason, the FRG should create preconditions for greater expansion.

Proposals for stimulating trade relations between the two German states have been submitted in the past, also in the *WOCHENBERICHTE DES DIW*. However, these recommendations so far have not been, or have not sufficiently been, included in negotiations by those in charge, much less implemented. This is true, for example, for the large complex of cooperation in environmental questions: in addition to desulfurization of brown coal power plants in the GDR (Footnote 6), modernization investments with integrated environmental protection had been proposed. (Footnote 7) This could not only reduce environmental stress (for the benefit of both sides), but also bring about performance increases in GDR industry which, in the last analysis, also offer good preconditions for stimulating inner-German trade. A broad-based promotion program in this direction could be of great significance, at least in the long term.

For inner-German trade, West Berlin offers a potential that is far from being fully utilized. For this reason, the Berlin-specific aspect should be properly taken into account in all considerations concerning promotion of inner-German trade. Previously submitted proposals should also not be ignored. They extend from the suggestion of treating, for tax purposes, West Berlin deliveries within the framework of inner-German trade like those to the FRG (Footnote 8), to questions of Berlin-specific forms of tourism (weekend tourism), and to the creation of special quotas for the city in inner-German trade. (Footnote 9) Just recently in the Bundestag, the SPD pointed out such opportunities: "West Berlin could become a model of a Western open market for COMECON countries, clearly delineated in area, and inhabited by two million people with Western buying habits. Where else can one find a similar testing institute for quality and product shaping, for customer service and price fixing, for advertising and marketing with tough competition on the world market? These potential development opportunities must be utilized, and that requires the full attention and support of the Federal Government and the Berlin Senate." (Footnote 10) Such a development presupposes first of all appropriate efforts by the GDR, but they would also have to be accompanied by a much greater willingness to buy on the Western side.

Nothing much can be expected from the founding of a mixed economic commission, about which talks were agreed upon on the occasion of the Honecker visit. (Footnote 11)

Such a commission would not change the basic economic conditions of this exchange of goods. The existing institutions have been tested and work, and they are complemented by many talks at a high and highest level. Both aspects guarantee that all outstanding questions are dealt with. And from the view of the GDR, the experience of preparation and implementation of inner-German trade can't be all that bad, since an steady (very) high proportion of its Western trade is with the FRG, although economic commissions with a number of other Western industrial nations have been in existence for years.

A mixed commission is unequivocal for inner-German trade and in principle inimical to the special status, even if it is to be established "on the basis of existing agreements and regulations." Such commissions otherwise exist almost exclusively in the foreign trade of Western industrial nations with state-trading countries. The establishment of a mixed commission on a German-German level would create the impression among outsiders that the Federal Government itself no longer takes this special status very seriously. But any softening of this special status is extremely detrimental to this exchange of goods and must therefore be rejected even under a purely economic aspect, since this deals not only with questions of customs and price-adjustment allowances, but also with special tax arrangements. Whoever wants to "normalize" trade between the two German

states at all costs must be aware that he is setting off an avalanche, and no one knows where it will end. It is certain that it would be at the expense of inner-German trade itself, but it will just as certainly be at the expense of the GDR which desired this economic commission.

In order to at least limit the damage to the Germany policy caused by the establishment of this commission, the German Parliament with a great majority (with only a few abstentions and no negative votes) approved in December 1987 a resolutionary recommendation by the inner-German committee (upon motion by the SPD caucus) calling upon the Federal Government to "insist that the valid legal bases, procedures and implementation modalities of mutual economic relations continue to remain in force and that the role of Berlin not be curtailed." Among the items then listed for the establishment of an economic commission is the demand that this commission also hold sessions in West Berlin. (Footnote 12)

Independent of this resolution, this basically holds true: "Inner-German trade is and remains an essential component of German-German relations...Like German-German relations, it is a sensitive thing. One should neither experiment nor treat lightly its institutions and procedures." (Footnote 13)

Footnotes

1. The agreement on energy exchange was concluded on 7 March 1988. Negotiations on railroad traffic have begun.

2. See DER TAGESSPIEGEL of 3 March 1988, p 26.

3. See Materialien zum Bericht zur Lage der Nation im geteilten Deutschland 1987 [Material on the report of the state of the nation in divided Germany], ed.: Federal Ministry for Inner-German Relations, Bonn 1987, p 791.

4. See HANDELSBLATT of 3 March 1988, p 12.

5. The latest poll by the Arbeitsgemeinschaft Handel mit der DDR [Association for Trade with the GDR] for this year showed that enterprises expect "a slight upturn of sales to the GDR, but a further slight drop in purchases from the GDR." Compare the corresponding press release of the association of 7 March 1988.—The latest analysis by the German Industrial and Trade Association (DIHT) of inner-German trade calls the present situation "unbalanced;" the DIHT is of the opinion that the dry spell in the trade with the GDR will continue for a long time. See HANDELSBLATT of 29 February 1988, p 12.

6. See Emissions of SO₂ from Brown Coal Power Plants in the GDR. Ed.: Jochen Bethkenhagen. In: WOCHENBERICHT DES DIW, Nr 11/1987. See Positive Accents in Inner-German Trade Must be Strengthened. Ed.: Horst Lambrecht. In: WOCHENBERICHT DES DIW, Nr 11/1987.

7. See Horst Lambrecht and Cord Schwartau: Ein Milliarden-Potential [A Potential of Billions]. In: WIRTSCHAFTSWOCHE, Nr 17/1987, p 82 ff. Also Horst Lambrecht and Cord Schwartau: Foerderung des innerdeutschen Handels durch Sonderprogramme "Umweltschutz und Modernisierung." [Promotion of Inner-German Trade through Special Programs, "Environmental Protection and Modernization."] In: DEUTSCHLAND ARCHIV, Nr 6/1987, p 600 ff. A number of considerations discussed here—also questions of financing—have meanwhile been taken up by other groups, such as the Hamburg Chamber of Commerce; see Innerdeutsche Wirtschaftsbeziehungen brauchen neue Impulse [Inner-German Economic Relations Need New Impulses]. Report 1987 by the Hamburg Chamber of Commerce (excerpt), pp 1-14.

8. See Westverschuldung der DDR begünstigt innerdeutschen Handel [GDR Indebtedness to the West Favors Inner-German Trade]. Ed.: Horst Lambrecht. In: WOCHENBERICHT DES DIW, Nr 10/1983, p 139.

9. Compare Die Wirtschaftsbeziehungen West-Berlins mit der DDR [West Berlin's Economic Relations with the GDR]. In: INDUSTRIE UND HANDELSREVUE; DAS DEUTSCHE OSTHANDELSMAGAZIN, Nr 4/1986, p 18 ff.

10. Compare Peter Mitzscherling. In: Stenographischer Bericht der 59. Sitzung des Deutschen Bundestages vom 5. Februar 1988 [Stenographic Report of the 59th Session of the German Parliament of 5 February 1988], p 4114.

11. Compare Jochen Bethkenhagen: Eine Wiederbelebung des Osthandels liegt in beiderseitigem Interesse [A Reactivation of Eastern Trade is in the Mutual Interest]. In: BEITRAEGE ZUR KONFLIKTFORSCHUNG, Nr 4/1987, p 109 f. In this article, the author commented in great detail on the subject of a German-German economic commission and has expressed the opinion of the DIW.

12. Compare Stenographischer Bericht der 48. Sitzung vom 9. Dezember 1987 [Stenographic Report of the 48th Session of 9 December 1987] p 3383. It must be pointed out that the commission newly to be formed is called Mixed Commission in the communique of the Honecker visit as well as in later documents of the Bundestag (for example, in the motion by the SPD caucus of 14 October 1987). In the resolutionary recommendation by the inner-German committee itself, and in statements made during the discussion the commission to be formed was no longer called a Mixed Commission, but rather a Joint Commission in order to "avoid confusing it with commissions that are active in foreign trade."

13. According to Franz Roesch, representative of the Federal Ministry for Economics for inner-German economic relations. See INFORMATIONSDIENST DES HANDELSVEREINS E.V. of January/February 1988 p 1.

POLAND

Increased Enterprise Contacts, Trade Discussed With Soviets

Fuel, Resources Set as Priorities

26000278 Warsaw TRYBUNA LUDU in Polish
24 Mar 88 p 2

[Article by PAP economic commentator: "Economy's Priority Task—Strengthening Cooperation With USSR"]

[Text] In accordance with intergovernmental agreements between Poland and the USSR, the current 5-year period will bring fundamental quantitative and qualitative changes in mutual trade and economic relations, according to PAP's economic commentator.

It will be primarily characterized by a balancing of trade turnover in the years 1986-1990, at a level of about 37 billion rubles. This will begin a period of settling our obligations to our Eastern partner, which amount to over 6 billion rubles. A major step in that direction was taken last year. Our negative turnover balance already amounted to only 6 million rubles, whereas in 1986 it exceeded the level of 500 million.

The balancing of the trade turnover is being assisted by favorable relationships between changes in the prices of exported goods and changes in the prices of imported goods. Last year this index—called terms of trade—amounted to 104.6, in comparison with 100.6 in 1986, and was due to a trade structure favorable to Poland.

The balancing process is also being assisted by the changes taking place, both in the economic management systems of the two countries and in forms of cooperation. It is worth recalling that since the beginning of this year, 60 percent of Soviet enterprises have been operating in accordance with the principle of internal cost accounting, i.e., they are more interested in seeking international contacts, and that foreign trade has been decentralized in the USSR; this makes contacts easier. The new forms of Polish-Soviet cooperation include direct cooperation between enterprises, which promotes optimal utilization of production capacities, and joint enterprises, which are a form of capital cooperation and allow for the possibility of entering third markets. These very favorable prerequisites and conditions governing our cooperation should yield significant results even in the next few years, and fully bear fruit in the future.

The current fulfillment of mutual obligations is obviously not free of problems. They are associated with the economic realities of the two countries. The most prominent one is the problem of increasing and modernizing what Poland has to offer the USSR in the way of exports. Balancing the turnover requires a very great technical

production effort, associated with meeting the growing demand from our partner, and about all with the higher requirements established with respect to the level of the modernness of machinery and equipment and their quality. The greater openness of the Soviet market, not just to products from the socialist countries, creates a quite real danger of the elimination of suppliers of noncompetitive goods. Another problem is ensuring deliveries of raw materials and fuel to Polish industry, at a time when our demand for them is growing and the more easily accessible sources of them in the USSR are being exhausted. This makes it necessary for Poland to participate in the expansion of the raw materials base on our neighbor's territory.

In view of Poland's supply problems and its payment and structural difficulties, the strengthening and expansion of our presence on the Soviet market should be considered the priority task in our foreign economic relations.

'5-Year Plan' Coordination Set

26000278 Warsaw TRYBUNA LUDU in Polish
26, 27 Mar 88 pp 1, 2

[Article by KP: "Polish-Soviet Cooperation Beneficial to Both Sides"]

[Text] A 2-day working meeting of the co-chairmen of the Intergovernmental Polish-Soviet Committee on Economic and Scientific-Technical Cooperation, Polish Vice Premier Zbigniew Szalajda and Soviet Deputy Premier Aleksey Antonov, ended on 25 March. The talks covered many problems affecting the entirety of Polish-Soviet economic relations and scientific-technical cooperation.

The Soviet Union is our main economic partner, on which we are basing our trade. That is why we attach so much importance to preparing a general outline of the cooperation between our countries for the next 15-20 years. In particular, it is especially important to guarantee mutual long-term deliveries of raw materials and machinery, and to develop specialization and coproduction in the leading industries, electronics and the machinery industry.

In accordance with the decisions made at the meeting, organizational work on preparing coordination of the development plans of the Polish and Soviet economies for the years 1991-1995 will be conducted at three levels and will include the central planning bodies, sector and branch ministries, and production enterprises. This will allow making the preparations more efficient and will lead to final agreements more rapidly.

Both sides ascribe major importance to increasing the growth rate of commodity turnover, and also to raising the quality and modernness of the goods involved in trade.

During the discussion, a favorable assessment was made of the implementation of the Long-Term Polish-Soviet Program for Scientific-Technical Progress, which provides for the concentration of research work in the areas of electronics, automation, nuclear energy, new materials, and biotechnology. It was decided that more attention would be paid to adopting the results of research work in industrial practice. Another subject of discussion at the meeting was the program for cooperation in the development of nuclear energy in our country until 2000.

A special place in the talks was occupied by the introduction and development of new forms of cooperation in Polish-Soviet economic relations, including direct contacts between production enterprises and research elements, and joint Polish-Soviet enterprises. A good organizational and legal basis for such direct cooperation has already been created, but there are still many issues that must be settled, including the sphere of foreign exchange and financial settlements.

The meeting also resulted in agreements on instituting joint production of a modern delivery truck.

At the end of the meeting, a protocol on the talks was formally signed.

"The document signed," Vice Premier Zbigniew Szalajda told journalists, "constitutes a review of the most important issues in our mutual economic relations; it recapitulates the agreements concerning the directions of cooperation in the next 5-year period and over a 15-20 year period, and outlines the tasks and the schedule for bilateral cooperation until 2005.

"The talks dealt with specialization and coproduction and the forms and directions of cooperation in those industries which should be the driving force in our economies. We adopted further agreements concerning the balancing of trade turnover and direct cooperation between enterprises. We are seeking to create economic conditions for enterprises that will make them interested in direct cooperation with Soviet partners," Zbigniew Szalajda stated.

"During the meeting, we discussed many important problems associated with accelerating work on the 5-year plan and the long-term development plans," Vice Premier Aleksey Antonov stated. "We will solve these problems together in contacts between ministries and also between the enterprises concerned.

"It is a question of making the best use of the potential lying in the contacts already made at the highest levels, and eliminating all obstacles hindering the cooperation of the enterprises."

Stereo Equipment Exports to USSR

26000278 Warsaw RZECZPOSPOLITA in Polish
28 Mar 88 pp 1, 2

[Article by (BP): "Keyboard of Cooperation"]

[Text] (Own information) (C). The Unitra-Fonika Radio Works in Lodz are the largest exporter to the Soviet market in the Unitra Association, and the second largest among Lodz producers, while they are in a high position—18th—on the list of all Polish exporters to the USSR.

The product involved in the exports here may be called one of a kind, just like the production here. Fonika, a well-known manufacturer of electroacoustical musical equipment, has recently been delivering, above all, about 340,000 hi-fi record players (60 percent of the plant's production), along with 500 sets of discotheque equipment, to the Soviet market each year.

These exports, which are profitable for the plant, also have the advantage of being combined with stable contracts and based, in the case of record players, on long production runs. This, however, does not exempt the plant from the requirement of modernizing its production. On the contrary, since it wants to maintain itself in foreign markets—the Soviet market and others—Fonika must energetically modernize its products, while the demands from importers are growing.

The USSR is the plant's main trading partner, but not the only one. The others include Czechoslovakia, Yugoslavia, France, the Netherlands, and England.

The local hi-fi record players meet world standards, holding their own in competition against a similar class of products from famous firms. They are distinguished by a contemporary and continually improved styling and appearance, and good operational parameters. The latest version of the record player (exported precisely to the USSR), for example, is the fourth version in a row in that product family that Fonika has produced in recent years. Thanks to a new converter, a higher sound frequency can be obtained, i.e., in popular terms, a larger range and purity of tone. This year a new type of record player, which will give rise to a new family of them, will go into production. It will be cheaper to produce and more economical to operate. It is planned that during the fourth quarter of 1989, Fonika will deliver over 100,000 of these new record players.

To return to the present, however, the plant is exporting record players to the USSR without casings, since their customer, the Music Equipment Plant in Berdsk, near Novosibirsk, installs them on the spot in its own music equipment, which is intended for community centers and youth clubs. Fonika has already maintained contacts with the factory in Berdsk for 12 years, along with a constant exchange of technical experiences and mutual visits by specialists. According to Fonika's specialist

Andrzej Nowak, the current cooperation is planned to be developed into ties of a coproduction type, based, among other things, upon exchanging music subassemblies.

The second most important product exported by Fonika to the USSR is also aimed at the youth market for musical equipment. This has to do with complete sets of discotheque equipment, delivered by the Lodz plant together with some elements for outfitting halls. Fonika is already preparing for an order planned for next year, i.e., for the production of discotheque machines together with complete hall equipment—and very abundant equipment, to boot. It will include many diverse lighting effects: glass globes, reflectors, stars, etc.

Trawler Completed for Soviets

26000278 Warsaw RZECZPOSPOLITA in Polish
19, 20 Mar 88 p 2

[Article prepared by PW on basis of PAP reporting: "New Vessel for Soviet Charterer"]

[Text] A fishing trawler-processor with a capacity of 1,800 tons, intended for a Soviet charterer, was launched on 18 March at the Lenin Shipyards in Gdansk. It is already the 33rd modernized vessel in the B-408 series; it received the name Zawolzk.

Thanks to new technical solutions, its processing capacity was improved to 100 tons of raw material, 15 tons of fish meal, and 1,000 cans of fish per hour. The crew of this unique floating factory will consist of 90 people.

More Direct Enterprise Contacts

26000278 Warsaw RZECZPOSPOLITA in Polish
29 Mar 88 pp 1, 7

[Article by eg: "Closer Contacts—Better Results"]

[Text] (Own information) (A). Independently of the traditional forms of economic cooperation between Poland and the USSR, marked above all by agreements at the central level or between the ministries of both states, direct cooperation between enterprises and organizations has been developing more and more in the last few years.

Favorable legal and organizational conditions have been created for it, and it has also been given an impetus for further development by the assumptions of the second stage of the economic reform and the changes in the system of economic management that are being made in our Eastern neighbor.

In giving the "green light" for establishing closer contacts, the legislator proceeded from the valid assumption that forms of cooperation of this type would be more effective. In both nations enterprises, organizations, and scientific research institutes have their own accomplishments, sometimes similar and often complementary. An exchange of experiences can thus make it possible for

both sides to introduce more modern techniques and technologies, and improvements in the organization of labor. Technological progress is expensive, and it is easier to reach an established goal by combining forces. Putting new products, often complex ones, into production requires time and outlays. If the work can be divided between the two sides in such a way that some of the subassemblies would be designed and produced in each of the countries, new equipment could see the light of day much more quickly. There are more and more such cases, not to mention the developing exchange of holidays and summer camps, the contacts of representatives of social and political organizations, and finally, exchanges of groups of workers.

Let us recall that at present, 186 Polish plants and organizations have established direct cooperation with Soviet units. Both sides benefit from these contacts, as RZECZPOSPOLITA's reporters have been told by representatives from several Polish enterprises.

The Wifama Textile Machinery Combine in Lodz has been cooperating with a Soviet partner for many years. It is manufacturing camshaft assemblies for weaving-mill looms for the Machine-Building Plant in Cheboksary, on the Volga. The looms produced in Cheboksary are in operation not only in the Soviet Union, but also in other socialist countries, including Poland as well. Jan Sobiczewski, the deputy director for technical affairs, estimates that to date about 50,000 assemblies of this type have been shipped to the Soviet Union. Coproduction ties are a reason for groups of Soviet specialists to come to Poland and for Poles to go to the USSR. Since last year contacts of this type have intensified, because the Polish side is preparing a new device. This year Wifama will manufacture the pilot series of new camshaft assemblies, and in the future it will produce up to 4,000 of them annually.

The contacts are not limited to coproduction, however. In recent years both plants have begun more direct cooperation, based on an exchange of experiences concerning machine design and technology. Current plans are for more emphasis to be placed on issues related to the organization of production, and also the activity of teams.

Several years ago, Silesia's Opta Mechanical-Optical Works established scientific and coproduction contacts with the Soviet Medoborudovanie Association. That association consists of over 10 factories, specializing in the same field as Katowice's Opta, i.e., the production of ocular optical equipment. It was only this year, however, thanks to the recently created legal possibilities, that the Silesian works signed an agreement on mutual cooperation directly with three Soviet enterprises, including the famous Prizma and a factory in Izum. "We think," says general director Tadeusz Gasior, "that this step will considerably stimulate and give concrete form to our mutual contacts. We are currently in the stage of exchanging information, and becoming familiar with

each other's technology. We are aiming at joint undertakings such as developing technological processes and organizational solutions. We will soon receive specialized optical machines from our partners 'for testing.' If the equipment passes the test, we will buy it."

On the other hand, the Marko Knitting Works in Lodz have not aimed only at production benefits. For three years, they have been maintaining contacts with Vilja, a small knitting factory in Vilno. Vilja is small, almost three times smaller than Marko. It employs less than 500 people, while the Lodz works employ 1,300. There are also major technological differences between the two enterprises. According to Marian Cecot, the general director of Marko, the Lodz factory is providing Vilja with some of its own technological solutions, documentation, especially in the area of pattern design, and solutions concerning the organization of production. In exchange, it is counting on services of a social and holiday nature. So far Marko's workers have traveled to the Soviet Union on excursions only sporadically. This year, Marko is already planning to sign a concrete contract with Vilja, on the basis of which part of the Lodz work force will travel to Vilno, and the workers' children will go to summer camps.

Warsaw's Warynski is also planning to give concrete form to its direct contacts with the Kalinin Works in Moscow this year. Actually, the mutual ties of both enterprises have been in existence for four years, but so far they have nevertheless not been strictly production-related. "Our cooperation," says economic director Jan Papis, "consists rather of exchanging experiences and frequent mutual trips—excursions by our workers to the Kalinin Works and by their workers to Warsaw. Representatives of the labor force, youth groups, and administrators have taken trips.

"We have become familiar with each other's plants, technologies, and organizational solutions. This year we want these long-standing contacts to yield concrete economic results. We are preparing to sign detailed agreements on coproduction and on an exchange of technological and production developments."

(Own information) (C). On 10 December 1987, two years of negotiations, within the framework of an inter-governmental agreement, on the formation of the joint, Polish-Soviet international enterprise Miraculum in Krakow were completed. The basic purpose of the new firm is to begin managing suspended investments, modernize an old plant, and after the completion of this, to undertake joint production starting in 1992.

The new enterprise, registered with the Voivodship Court in Krakow on 28 March, will begin operation on 1 April 1988. Its registration was preceded by the first meeting of the council.

Soviet Interest in Electrical Industry

26000278 Warsaw RZECZPOSPOLITA in Polish
15 Mar 88 p 9

[PAP article: "Soviets Interested in Polish Offer"]

[Text] Berlin (PAP) (C). Soviet Deputy Premier Igor Belousov, while visiting the GDR, familiarized himself with the Polish exhibit at the Leipzig Spring Fair. He was particularly interested in what the Polish electronics and shipbuilding industries had to offer.

I. Belousov visited the stands at which the foreign trade firms Radwag, Unitra, Polkolor, and Labimex were presenting their products. He stated that there was a very great demand on the Soviet market for the products exhibited by them. Among other things, this applied to the scientific and laboratory apparatus presented in Leipzig, along with radar apparatus for controlling air and highway traffic. "The Soviet Union is also interested," he stated, "in purchasing new types of ships and fishing boats, along with specialized floating equipment designed for protecting the maritime environment and extracting raw materials located on the bottom of seas and oceans. This equipment," the Deputy Premier stated, "is very up-to-date. It can compete effectively with similar products from the most renowned Western firms. Purchasing it on the Polish market will thus also permit gradually reducing the USSR's imports from the capitalist countries."

9909

ZYCIE GOSPODARCZE 'Briefs' Column

26000268c Warsaw ZYCIE GOSPODARCZE in Polish
No 10, 6 Mar 88 p 2

[Excerpts]

In the Nation

The top management of the Ministry of Industry has 7 members, while the entire ministry has 557 employees, including 11 department directors and 11 deputy directors. There were 2,300 people employed under the old system of four ministries. The ministry oversees 1,788 units, including 1,625 enterprises, 141 research and development units, and 22 institutes. The number of enterprises subordinate to the ministry will soon be already reduced by 152, which during the initial stage will be turned over to the voivodship governors. The ministry is cooperating with 68 voluntary associations and with two coal and energy associations. Furthermore, the Scientific-Technical Council, the State Council of the Energy Industry, the State Mining Council, and the Small-Scale Manufacturing Council are active at the Ministry of Industry.

Tadeusz Kaminski, the president of the Polish-Polonian Chamber Interpolcom, has called for the creation of a separate office which would deal with the entire range of

problems associated with the presence of foreign capital in Poland, since the current distribution of jurisdiction among several central offices and voivodship authorities does not promote a uniform policy with respect to foreign investments. Offices of this type are operating in other countries.

9909

Economist Views Turmoil Resulting From March 1968 Events

26000267c Warsaw ZYCIE GOSPODARCZE in Polish
9 Mar 88 p 3

[Article by Mieczyslaw Mieszczankowski, Professor of Economics: "March 1968 and Economics"]

[Text] The anniversary of the March 1968 events will not be formally observed, and there are probably no plans to observe them. These events had "shameful" aspects. There were many adverse consequences. I should like to engage in a brief discussion of some of them, those concerning economics. The Congress of Polish Economists was an encouragement to take up this subject. The KTT piece in POLITYKA maintained this intention, pointing to the incidents in March 1968 as one of the "white blotches" (black, rather) which few people are interested in bringing to light.

At the congress I suggested that its resolution contain the statement that the accusation in 1968 that the Polish economy was tending toward revisionism and that there were attempts to "soften" socialism was absolutely false, and that the accusation had led to a slowing of the development of the economic sciences and to reducing their influence on economic processes. (Jacek Poprzeczko noted this view in the pages of POLITYKA in his article on the congress entitled "Farewell to Dogmatism").

I presented this hypothesis in expanded form back in 1981 at the PTE congress in the paper "Condition and Tasks of the Economic Sciences," which I coauthored. At that time I wrote: "We should state, because irrefutable facts show it to be true, that the accusation against the Polish economy that its socialism was revisionist was entirely baseless. The basic purpose of waging the battle against revision in the economy was to protect the centralized bureaucratic-directive system of administration of the economy and prevent the development of socialist democracy. This brought about multilateral adverse consequences—not just for science—which culminated in the 1980 crisis" (EKONOMISTA, No 6, 1981, p 1196).

The purpose of my restating this view at the congress was for it to become an official expression of the position of the top group of economists, but despite all efforts it was not part of the resolution (in its post-congress form).

Signs of the March Outburst

The March 1968 events had more than a single cause, and were the result of the concomitance of many causes and the operation of various forces. We will probably have to wait a long time yet for them to be explained, for the given archives to be made accessible, at the point when there will no longer be any people interested in keeping them hidden (assuming that the given documents have been retained). At present we can only make guesses about many things. Therefore, from deductions I would like to point out one of the underpinnings of the events that seems not to be in doubt, the socioeconomic basis. The achievements of October 1956 in the realm of the system of running things were ultimately erased by the end of 1959. The system once again became entirely one of directives. Along with this fact, after years of rapid increases in real earnings, there was a period of belt-tightening: real earnings increased at a rate that was not noticeable, the market became poor, and modern sought-after products were scarce.

This was accompanied by restrictions on democracy dating right from the elimination of PO PROSTU at the end of 1957 and then the incapacitation of the trade unions in December, 1958. The next few years brought greater and greater restrictions on it, mainly through stepped up censorship. An era of "stagnation and dogmatism" ensued, called in economics, but unofficially, "peasant socialism."

In this situation clear lines began to appear in the bond between the authorities and the society, a bond which had been just about completely restored in the October 1956 period. Philosophers and sociologists began to point out the tendencies toward the alienation of authority and the danger of breaking this bond. In his book "Marksizm a jednostka ludzka" (Marxism and the Individual), published in 1965, Prof Adam Schaff provided a synthesized expression of this. At the time the book was met with a forceful reaction. In open court the chief accuser, Andrzej Werblan, stated that there could be no talk of breaking the bond or of alienation of officials and that the hypotheses were groundless, showing that they were subject to foreign ideological influences.

The lines in the bonds between the authorities and the society began to turn into cracks in the coming years, in conjunction, for example, with the plan for 1966-1970, the restriction of increases in agricultural production and housing construction, the still slow increase in real income, and the rises in prices. The plan draft drawn up by Prof M. Kalecki, which projected a greater increase in agricultural production and housing construction and therefore in national income and the standard of living, was rejected, and Prof Kalecki was forced off the Planning Commission. These phenomena and the low level of administrative effectiveness inclined the economists to call for a reform of the system of management by

directives, reduced centralization, and greater independence for enterprises, along with allowing market mechanisms to play a more important role. (These postulates were put forth mainly at numerous conferences, sessions, and meetings; it was no longer possible to present them in the press).

The danger of having these phenomena become worse and the force of the tendencies in favor of reform were undoubtedly a major factor in the offensive which the conservative forces began in 1967. This time the main attack was aimed against economists. *MIESIECZNIK LITERACKI* began the attack (No 6, 1967) with Mieczyslaw Krajewski's article "Delusions and Realities," which criticized Prof Włodzimierz Brus' book "Ogólne problemy funkcjonowania gospodarki socjalistycznej" (General Problems in the Functioning of the Socialist Economy).

The article strongly attacked the concept of a model of a planned economy that used market mechanisms. Its author pointed out the great dangers connected to mobilizing market mechanisms and "over-extending the rights of the enterprises." The accompanying arguments were so primitive that they are not worth summarizing. I will therefore present only the point: The decentralization of running the economy is bound to lead to having real authority pass to the hands of an increasingly smaller group of economic experts, reducing the party's role to a minimum while self-government would in practice be out-numbered. Alongside the other adverse phenomena that would occur, this situation would interfere with the interests of socialism. In addition, the adoption in Poland of "a decentralized model" would also interfere with the national interest, because it would mean setting our economy in a position that was structurally weaker vis-a-vis the centralized capitalism of the Western countries, especially the United States and the FRG.

It must be pointed out that Prof Brus' book was published in 1961, that it had enjoyed extensive favorable reviews, and that the criticism pointed rather to its minimalist approach. And for 6 years nobody had attacked it, until the accusation which came unexpectedly in 1967 saying that it was interfering in the interests of socialism and national interests. Initially one could imagine that the accusations made were the capricious outburst of some unbalanced journalist, but it turned out to be no caprice. Cezar Jozefiak's article pointing out the nonsense of these and other accusations was severely reprimanded by C. Jozefowiak, who was again given space in *MIESIECZNIK LITERACKI* by its editors. Here we have to emphasize that this was not only an attack on Prof Brus' views but on "some economists" who advocated introducing a "decentralized model" (this was clearly indicated in M. Krajewski's article).

This shows just one of the fragments of the underpinnings of the March incidents. The analysis of all of them would show that the course and consequences of these

incidents were not the usual effect of the student protests of March 1968 but had deeper causes that had been increasing for the past several years. These protests served merely as a catalyst that accelerated a decisive battle.

The March Thunderstorms

The fact is that for some time after the University of Warsaw student rally on 8 March 1968 and later incidents (student protests in other cities too) this phenomenon had no uniform political or ideological base. People wrote about trouble makers, irresponsible elements, and so on. It was only several days later that it was officially adopted that these incidents were the result of revisionist and Zionist forces which were interfering with the principles of socialism and the good of the country. Along with this an unprecedented persecution of "revisionists" began in economics and the social sciences. (It is for the historians to explain the difference in time of these two things).

It is also for the historians to explain the very outburst of the March incidents. To this day it is only in Prof Bobrowski's book "Wspomnienia ze stulecia" (Memoirs of the Century) that we find an objective but somewhat moderate explanation of this phenomenon (under the influence of talks with the "publisher"). This information shows what eye witnesses known to me confirm, that the rally of the University of Warsaw students on 8 March was at a point already at the stage of winding down, but it was just then that the security forces (sily porzadkowe) began decisive intervention. The further course of the demonstrations, their spread to other campuses, was a consequence of this fact. Hence, they were not allowed to extinguish the conflict. On the contrary, the conflict was made to become the spark for a wave of student protest.

For the first few weeks there were just general antirevisionist and anti-Zionist slogans and the condemnation of revisionism. Meritorical criticism began to be published at the end of March in the above-mentioned article by M. Krajewski (in abbreviated and more severe form) in the columns of the central press. Many articles on this subject appeared later. The main directions of the attack on revisionism in the economy appeared in a synthesized, somewhat official contribution in the materials of a conference held during the first few days of May 1968 at the Central Party School (they were published in the form of a mimeographed leaflet entitled "Sytuacja w ekonomii politycznej socjalizmu" [The Situation in the Political Economics of Socialism]). An entirely official contribution omitting earlier statements of individuals and party echelons was formulated at the Fifth Party Congress. Later, in 1970, two pamphlets condemning revisionism appeared. One was by H. Florek and S. Szefer and bore the meaningful title: "Dywersonja w ekonomii" (Subversion in the Economy). The other, by

A. Krawczewski, was entitled: "Rewizjonizm a wspolczesna burzuayczna ekonomia polityczna" (Revisionism and Contemporary Bourgeois Political Economics).

The attack on revisionism in the Polish economy of socialism was very greatly expanded to encompass just about its entire contribution, starting with 1956. Revisionism was found to be the "outpost and emanation" of bourgeois science, to treat marxism as "an antiquated anachronistic system of thinking," at the same time stating the "disideologization" of political economics and the rejection of marxist methodology in it. It was stated that revisionism "overlooks the purposes and long-range trends in social development and therefore the mechanisms of social forces and their interests," and, finally, most important, it was found that revisionism attacks the leadership role of the party and the state in economic policy, especially central planning, thereby making revisionism the enemy of socialism. "In the struggle with socialism it is far more aggressive and therefore far more effective than bourgeois science."

As we can see, these accusations, which were very large-gauge, along with their unpardonable attacks were aimed mainly against Prof Michal Kalecki's theory of growth of a socialist economy and the supplement to it provided by Prof Kazimierz Laski, and also against the theory of the functioning of that economy which Wlodzimierz Brus described in his book mentioned above.

The nontheoretical criticism of the concepts mentioned was extremely weak compared to the slogans and accusations cited above. Prof Kalecki's theory, beyond the minor accusation that it was "a twin of the Harrod-Domar model," actually faced only a single charge: that it treated chiefly functional relationships and did not take the human factor into account, which was supposed to show that it was "disideological" in nature. This sounded serious, but it had nothing in common with the truth, which Prof Kalecki himself pointed out in the course of the "discussion" of his theory, which was set up by employees of the Main School of Planning and Statistics, Prof Kalecki's alma mater (viz. M. Kalecki. Works. Vol 4, p 271ff). After all, the basic formula of his theory includes coefficient u , the role of which could only be chiefly the function of the human factor. Growth itself was viewed given different variants of labor force reserves. In addition, it was Prof Laski who supplied the second pillar of this theory, derived directly from the human factor and not the material one, but he was nonetheless subjected to unpardonable criticism.

Basically, therefore, the attack on the theory of growth had no material basis. It boiled down to threats along with empty shouting and insinuations. Here are the attempts presented at the above-mentioned conference at the Central Party School:

"The fashionable theory of growth of the socialist economy as presented by M. Kalecki, K. Laski, and their adherents gives rise to a number of critical material

reservations in terms of its origin, methodological assumptions, adequacy in terms of the real process of growth, development of the socialist economy, and so on." "The theory of economic growth as put forth by some of our theoreticians serves neither a production function nor an ideological one. If we were to look at its ideological function, then probably it would be in terms of its being a particular method of softening up socialism."

The accusations against the theory of the functioning of the socialist economy as presented in Prof Brus' book were equally weak in real life terms. It was alleged that with reference to the relationship between the rate of economic growth and the structure of the mechanism of the functioning of the economy, the theory tended in the direction of automatic economic mechanisms, although it did not question central planning, and that the theory inflated the significance of the market and in addition was isolated from socialism's historical goals and prospects for long-range development. Overall this was read as revisionists' attack on central planning and the party's leading role in economic policy and on the principle of democratic centralism.

It is a fact that in no instance were the accusers making the charges able to refer to citations from the book being criticized. They were simply empty accusations. All the critics could do therefore was express their convictions that they had not the slightest doubt that in his conceptualization of the functioning of the socialist economy Prof Brus "emphasized primarily the significance of the market mechanism and reduced the significance of planning," or, as another more severe formulation put it: "attacked the role of central planning and deified the market." But with accusations of this sort there is nothing to discuss.

In summary, even the most penetrating and unbiased critic is bound to admit that the accusation that the Polish economy was revisionist was entirely without foundation. Of course I am talking about revisionism in the sense that Marxist literature uses the term, as a revision of the foundations and principles of scientific socialism. On the other hand, the concepts put forth at that time were indeed a revision of the Stalinist system of managing by directive and exercising leadership in an authoritarian way. From the viewpoint of dogmatists and conservatives who considered this system to be inviolable and the only proper development of Marxism "in action," it was not without reason that these concepts were considered revisionist. (In their eyes, after all, the principles of our reform as adopted at the Ninth PZPR Congress, are extremely revisionist).

At the same time I should like to point out that this was not a school or concept of Prof Brus, in terms of an independent or separate current of thought pointing out the need for and direction of gradual reform of the economy. It was a group concept for structuring the Polish model of management of a large proportion of

economists with the framework basically stemming from a time prior to October 1956, later being expanded and translated into concrete terms in the hypotheses of the Economic Council. The main authors were Professors Lange, Kalecki, and Bobrowski (with younger economists, including Prof Brus, having a significant role and influence).

This does not reduce the significance of the above-mentioned book by Prof Brus. Among its main virtues were its synthesis of the contribution of the great model discussion from 1956 to 1959 and the elaboration of the assumptions underlying the two extreme models of a planned economy: the centralized and the decentralized (that is, the model of a planned economy taking advantage of the mechanism of the market). The book presented all the rationales showing the advisability of basing the concrete systems of socialist economic functioning on a decentralized model to the extent possible. There were also many reservations that the assumptions of this model could not be carried out in their pure form without supplementing them with centralistic "admixtures." (This is where the name "mixed model" came from later). It was because of these and other virtues—for example, this was the first time in our literature that there had been a "look" at the history of the problem—that Prof Brus' book has and will continue to have a lasting place in the contribution of Polish economic thought, despite the fact that for many years it was condemned.

As a footnote I cannot fail to point out a mistake made at the tribunal of the Congress of Polish Economists, in attributing to the PZPR Central Committee's Higher School of Social Sciences (WSNS) the above-mentioned revisionist criticism at the conference sponsored by the Central Party School. In fact at that time WSNS was already in the final stages of being closed down, and its activity had been suspended, among other things, for having taught "revisionism" (including Kalecki's theory). Nor was it coincidental that only a few scholars from the Economics Department of the defunct WSNS attended the conference.

Shameful Deeds

If the affair had been limited to criticism and accusations (without the possibility of defense), things would not have been so bad, but under a system with Stalinist characteristics this did not happen. Inasmuch as revisionism was considered to be antisocialist sabotage and its advocates and adherents were considered to be opponents of socialism, enemies of the party and the people, renegades of their country, advocates of cosmopolitanism, and so on, they could not let it go by. There had to be certain consequences in the form of repression. According to the official statements, the main people coming out in favor of revisionism were Zionists. The following syllogism was considered essential: You are of

the Jewish people. This means that you are a Zionist, and therefore a revisionist. Here some interpretations went further, showing the conspiratorial-saboteur bent of this syllogism.

The most extreme conspiracy versions I know traced the means and timing of the preparations for the March demonstrations back even to 1950.

Now, this version has it that in 1950, on Wiejska Street, "in an unpretentious building certain political groups and forces started to prepare to take over the situation on university and college campuses." The preparations consisted of setting up the PZPR Central Committee's Institute for Training Scientific Personnel (IKKN), and the "certain forces" were the instruction personnel, mainly from the Jewish community. These forces soon built up their strength in terms of numbers of positions and predominated in many areas, especially the University of Warsaw. After 1956, a substantial proportion of those who had been ardent Stalinists and advocates of the hard line started to change their views and in time shifted to an antiparty position. They were the ones who became the "spiritual fathers" of the March demonstrations, because they educated, cared for, and were the impulse of the direct initiators and inspiration underlying these events. They were called the commandos. The names "spiritual fathers" and "commandos" apply only to members of the Jewish nation. It was not necessary to formulate the conclusions. They came about on their own, automatically. All that remained was to carry out the consequences. (Source: WYCHOWANIE, No 8, 1968).

Sure enough, we did not have to wait long for the consequences to be imposed. There soon began to be mass removals of people of Jewish origin from the institutions of higher education and other institutions. This took place according to a specific procedure. In keeping with the principles of social and political life prevalent at the time, first the guilty party had to be criticized in the press as well as in the workplace and then, in keeping with the accepted "will of the people," the person was subjected to repression, but for this there had to be people to execute the program, those anxious to "unmask" (razoblażyć) the enemies of the people, because there was absolutely no problem finding the guilty parties, in this case the revisionists (given the key of the syllogism mentioned above).

It is important to note that there were hardly any "goons of the imperial guard" (oprichniki) among the "independent [senior] scientific employees." Out of the large number of scholars only one took up his pen in service to those reprimanding the revisionists. On the other hand, there were such people, a lot of them, among the younger scholars. In the lead were adjunct faculty who had been at it a long time, those who had "sweated it out" over their doctorates and were not able to carry on to do their habilitation to gain the title of docent (therefore they had the threat of being "turned over" or "rotated out"

hanging over them). They were gained for "the cause" through promises of being given the degree of docent without doing the habilitation and of receiving certain positions in academe. And the word was kept. They were advanced to the position of docent. They were given posts in the many campus institutions created, and so on.

During the initial stage, the repression consisted of removal from key positions (head of a department, and so on), and then of the individuals' being fired altogether or of having conditions such that they had to leave the institution. It was no secret—it was even elevated to the rank of a positive phenomenon—that "after the March incidents there was a process of basic personnel regrouping on the Warsaw campuses and in other academic institutions. The ranks of the junior staff of scholars previously in the shadows were pushed out onto the scene.

The greatest devastation occurred at the Main School of Planning and Statistics (SGPiS), where famous scholars were removed as heads of departments, people like Professors Gorynski, Laski, Pohorillo, Sachs, Blass, and Kozlowski. Nearly all of them were later forced out altogether. (The case of Prof Kazimierz Laski, a soldier of the People's Army, a defender of Starowka in the Warsaw Uprising who fought and was wounded in the Czartakow detachment, fired from his position as department head at SGPiS without any cause). They did not dare fire Prof Kalecki, the pride of Polish science, but things reached the point where he resigned. The next stage of repression was the creation of conditions for "voluntary exile." Most emigrated.

Did they do the correct thing? Let the case of Docent Edward Lukawer provide a meaningful answer. On the basis of unjustified attacks, he was fired from his position at the Academy of Economics in Krakow and, despite pressures he refused to emigrate voluntarily. For the whole time he was unable to find a job in his profession of economics researcher. The petitions a group of his friends sent the authorities concerning the matter from time to time went without result. It was only 12 years later that the conditions which August 1980 created made it possible for him to return to higher education. But the "invisible hand" continued to keep the rank of professor out of his reach. It was not until the end of 1987 that E. Lukawer, celebrated economist, was named associate ["nadzwyczajny"] professor.

The procedure was somewhat different with those who were considered to be adherents to "revisionist" luminaries and therefore semitophiles (for example, people talked about the Kalecki group, or followers of Brus), and also with those who did not support the attack on the "revisionists" or were passive in the course of debates with them. They also bore certain consequences. Scientific advancement was held up. Their life was made so miserable that they had to leave their institutions. Some of them were unable to find a job over an extended

period of time, but this repression nonetheless could not be compared that of people who had come into contact with "revisionist-Zionist elements."

We cannot avoid touching on a "delicate" matter. Now, efforts were made to mobilize the broad ranks of economics scholars against revisionism, if not in the form of joining in the attack, at least in admitting that revisionism had harmed the Polish economy. Various means were used to force and induce people, and it was a fact that many economists gave in and stated that in one way or another revisionism had come into our economy. (I can write this, because I do not feel entirely blameless).

Is it possible to gain some indulgence for that by showing that these forced admissions were solely tactical in nature, because along with this these economists pointed out the need for reform, for increasing the independence and self-management of the enterprises, and for reducing the system's management by directive? (There was joint expression of this in the position which the Main Administration of the PTE took in April 1968). It is not for me to answer that question.

The question remains as to whether the currents of a foreign ideology were operating in the economy. This was an antisocialist current which appeared back in 1956 (without many supporters) and which in a more or less veiled way denied the socialist regime's rational basis, stating that it could not be reformed. In the mid-1960's there were also trends toward socioeconomic theories of a socialist economy, but advocates of neither the former current nor the latter one were the object of attack at that time. The objects of the attack were the progressive forces in favor of reform who were condemned with the epithet of revisionist forces. Looking at this from the viewpoint of conservative, dogmatic defenders of the ancien regime or status quo, we can understand this. On the other hand, the struggle against the forces called anti-Zionist can only be considered to be the political and moral infamy of the conservative forces.

The Consequences of March

The March incidents had profound, long-lasting, multi-lateral adverse consequences in theoretical economics and indirectly also in the practical economics. I will point out only the most important ones.

There is no doubt that the sudden attack on "revisionism" in the economy, and hence on the current in favor of reform, greatly slowed its development. Any brave, novel idea was actually prohibited and was dangerous for its author. Because of this, for many long years not a single monograph appeared that made any substantive theoretical contribution. (This was pointed out in a paper on the state of the economic sciences presented at the economists' congress in March of 1981). Poland

ceased to be the center of creative thought in the economics of socialism that it had been previously. This center shifted to Hungary, which during the burning of the "witch of revisionism" in Poland, began to reform its economy.

The system of teaching economics became distorted. The textbooks published after 1968 emphasized state omnipotence in just about all matters. Elements of economic policy began to weigh ever more heavily on the course of lectures. The basic principles of the system of administration by directive came to be inviolable in the pages of textbooks, but we should say in their favor that they did not give up pointing out another model, the parametric one, and mixed systems. This boiled down to "the discrete charm of parametrisation," without any more extensive light's being shed on a reformed system. It is to the credit of the textbook authors that they did not give up Prof Kalecki's growth theory.

The direct consequences were a decline in the level of teaching in economics and the erosion of requirements for degrees and scientific titles. The "generation gap" among economics scholars was another direct consequence, but it was years before it was discovered. This is related to a substantial degree to the fact that "March docents" today approaching their sixties were not able to educate any significant economists, but then too the more talented young people, cognizant of the situation at the time and of "March scholarship," did not apply for assistantships or for positions in scientific institutes. There were probably also other reasons for this, but the fact is that this phenomenon is most apparent in scientific circles in Warsaw, where March 1968 took its greatest toll.

March neutralized economists as the reforming force in action. They were only a potential force. In action they could only present concepts, proposed solutions, and so on concerning "improvements" in the system of management by directive. No research concerning any real reform in the system of administration beyond mere cosmetic alterations could be conducted, until toward the end of the 1970's, when this system had entered a glaring stage of crisis. It was usually of a social nature (in PTE and other institutions). It came far too late. Only August 1980 changed this situation.

I think that the consequences of this were that economists did not have adequate practical preparation for them to be able to present (in the short time available) an adequately sophisticated draft for applying the reform. As a result, we were forced to adopt a draft with numerous gaps and inconsistencies. This could not help but exert an adverse impact on the course of processes of the reform during its first few years. (It must also be mentioned that a substantial proportion of the drafts presented were simply naive, had not been well thought out, and did not correspond to the true facts of our economy).

Finally, last but not least, a special sort of violent political opposition among a substantial proportion of our young economists stems from these consequences (and from others as well, to some extent). This is currently the most painful phenomenon related to March 1968 in economics and among economists.

It is no coincidence that the sponsors of the University of Warsaw student rally, called "commandos," became key activists years later in KOR and then Solidarity. The distorted system of instruction, the gulf between official "theory" and practical economics, the glaring disintegration and crisis in the system of management by directive, and the crisis in the economy caused the young (correctly) to "reject the old," but at the same time it also provoked manifestations of a distrust of the socialist system of running the economy, discouragement with socialism in general, and tendencies to seek other economic and political models which strayed to a significant degree from the fundamental tenets of socialism. I mentioned at the outset that the attack on "revisionism" reduced (practically to zero) the influence of the economic sciences and economists on the course of the economic processes. This applied not only to the period following March but also to the entire decade of the 1970's. Its sorry consequences were in no small measure related to this fact, to the closing of the mouths of economists. They could not serve their due functions in exerting an influence on the course of economic processes. On the other hand, for example, a meeting was required to be set up for this purpose (Jablonna, April 1975), so that economists might theoretically generalize economic policy for 1971-1975, because this is of "lasting political and theoretical significance." Here it was stated that revisionism, which was called "economism," had "brought about a shattering disaster at the end of the 1960's."

These attempts were not successful. Only a few economists—I wrote about this in a talk presented to the economists' congress in 1981—gave in to the pressure, praising "the economic miracle on the Vistula" (EKO-NOMISTA, No 6, 1981, pp 1197-1198).

It must also be emphasized that the officials' disregard of the March protest and the earlier signs, along with their tyrannical dispute with progressive forces, were among the major causes of the incidents and tragedy in December 1970. Also at the roots lay the fact that the system of management by directive had been cast in concrete, and notions of reforming it had been ruled out. This, therefore, was one of the important causes of the crisis which began at the end of the 1970's.

Years Later

I think that the major hypotheses proposed which could have at some time given rise to fundamental doubts (assuming that they had been published) probably seem indisputable in the present day. On the other hand, a hypothesis remains that still needs to be proved on the

basis of archival research: that the March movement, student protests and ferment were exploited by conservative and counter-reform forces to crush and remove progressive forces and to bolster their positions and the system of administration by directive and the related system of exercising authority and power. Here, as I emphasize once more, the bones were scattered following March 1968. It was merely a question of a convenient moment for taking on the progressive forces. But the infamy of these countermeasures lies in the fact that they were waged in the name of fighting Zionism.

I am emphasizing this again, because years later in official explanations of the causes and course of social conflicts in the history of People's Poland, no mention was made of the issue of fighting so-called Zionism and its consequences, to say nothing of renouncing this affair, which compromises us in world opinion. Equally important, the version of "revisionist views" and their penetration has been upheld, with it being said that the first clear signs of the growing social crisis occurred during the course of the so-called March 1968 incidents, in close conjunction with revisionist phenomena and groups that were vehicles for revisionism. I think that the whole gestalt of such an assessment of the March incidents should be rejected.

At the same time it comes as no surprise that in this situation the "heirs of March" were able to continue to maintain the old version of those events or that a

brochure was suddenly published to explain the March incidents in terms of the conspiratorial revisionist-Zionist version. Recently, in 1987, a pamphlet appeared that was written in this vein. The author hides under the pseudonym of Romanowski. What is surprising is that the pamphlet was published under the auspices of ZSMP.

In this year's 13 February issue of POLITYKA an enunciation by Polish political authorities was published in which they stated that in 1967-1968 political errors had been made that violated the tradition of Polish tolerance and the principles of Marxist ideology condemning all forms of antisemitism and discrimination. That is good, very good indeed, but it is too bad that it came so late.

Nonetheless, it is not enough. It is a question of rehabilitating all the victims of injustice and of giving them moral satisfaction. At the same time, this question cannot be separated from "revisionism" and its alleged penetration as an attempt at the time "to insert into the socialist society instruments and solutions appropriate for the bourgeoisie and capitalism." This issue cannot go without being illuminated in an unequivocal way, which is what I have tried to do in this article.

10790

END OF

FICHE

DATE FILMED

JUNE 22, 1988